IVCA

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RIPE

IVCA CONCLAVE 2025 HIGHLIGHTS

TABLE OF CONTENTS

TABLE OF CONTENTS

TABLE OF CONTENTS

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Chairperson's **Note**

Dear Colleagues,

As we reflect on the past year, it is clear that India's alternate capital industry has entered a new phase. One defined not just by scale, but by depth, maturity, and growing strategic relevance. The past year has been marked by increasing investor confidence, maturing capital structures, and stronger alignment across stakeholders.

From policy leaders and regulators to fund managers, founders, and long-term capital partners, we are seeing a momentum that reflects the conviction with which the industry is now moving forward. India's alternate capital landscape is no longer building in silos. It is actively contributing to the country's long-term vision of Viksit Bharat.

The emergence of domestic pools of capital, the rise of innovation-led models such as Digital Public Infrastructure (DPI), and a strong pipeline of exit events point to the strength and resilience of our ecosystem. Growing interest in secondaries, structured exits, and IPOs further reinforces India's positioning as a sustained, long-term investment destination.

This year's policy outcomes, including the removal of the angel tax and parity on capital gains taxation, mark important steps forward for the AIF industry. IVCA's sustained engagement with the Ministry of Finance, SEBI, and DPIIT continues to be instrumental in shaping a forward-looking regulatory environment. Strategic alliances, such as MoUs with CII, FICCI, USISPF, IFSCA, and many other partners have strengthened our ability to drive meaningful collaboration between the industry, government, and global stakeholders.

As the IVCA Chairperson, I have been witness to how much progress has been made in building dialogue, deepening trust, and positioning India as a credible fund management jurisdiction. Through platforms across India and abroad such as the Fund Management Conclave in GIFT City and the Maximum India Conclaves in Singapore and New York, IVCA continues to advance industry dialogue, strengthen institutional participation, and elevate India's visibility on the global investment map. These efforts were meaningfully complemented by the participation of senior diplomats, including H.E. Dr. Shilpak Ambule, High Commissioner of India to Singapore, and H.E. Binaya Srikanta Pradhan, Consul General of India in New York, whose presence further reinforced the strategic importance of cross-border investor partnerships and the role of IVCA in anchoring that conversation.

Our collective strength was once again evident at the IVCA Conclave 2025. It served as an industry-wide platform for collaboration, insight, and agenda-setting. It was a timely reminder of what becomes possible when the entire fraternity comes together not just to reflect, but to move forward with intention and alignment.

As we build forward, fostering gender diversity and inclusive leadership must remain a priority. It is essential for a more representative and forward-looking investment community.

I am confident that with continued partnership and a shared vision, we will contribute to India's growth trajectory and actively shape it.

Warm regards,

Ashley Menezes
Chairperson, *Indian Venture and Alternate Capital Association*
Partner & COO, *ChrysCapital*

President's **Note**

Dear Members,

I thank you for your steadfast support and engagement, which have been pivotal in driving IVCAs continued growth and impact. Alongside the leadership of our Chairperson, Co-Chairperson, and diverse Executive Committee, we have made meaningful strides in strengthening India's alternate capital ecosystem.

Our membership grew from 347 to 444 members, demonstrating the increasing strength and diversity of our community.

Our advocacy efforts remained central to IVCA's agenda. With over 130 representations and 63 meetings in FY24, we were pleased to see key outcomes reflected in the Union Budget 2025 – parity on capital gains to the removal of Angel Tax, classification of CAT I & II as capital assets, the announcement of a ₹10,000 crore Fund-of-Funds, TCS on AIF transactions, extension of investment exemptions for SWFs and pension funds, and enhanced incentives at IFSC.

Our policy priorities will focus on expanding domestic institutional capital, simplifying regulatory frameworks, and driving long-term alignment. Areas of engagement include PFRDA, IRDAI, EPFO participation, enabling ease of RBI guidelines, sector-specific Fund-of-Funds structures, CAT III AIF taxation, formal MoUs with regulators and government stakeholders, SEBI's proposed cybersecurity framework, and continued engagement on NISM certification frameworks, accredited investors, and co-investment vehicle structures.

Rajat Tandon

President

Indian Venture and Alternate Capital Association

President's **Note**

Alongside these efforts, IVCA is engaging on recently announced initiatives such as the ₹1,000 crore Spacetech Fund by SIDBI and the Department of Science and Technology (DST), which aim to unlock greater volumes of deployable capital through targeted FFS structures. These are expected to catalyse sector-specific fund formation, encourage fund onshoring, and position India more competitively as a fund management hub.

The IVCA Conclave 2025 reinforced IVCA's role as a central force in India's alternate capital landscape—convening 1,000+ delegates for 17+ sector-shaping sessions that sparked high-level dialogue and strengthened the industry's collective voice. The address by Hon'ble Minister Shri Piyush Goyal further elevated the platform's stature, underlining private capital's growing role in India's development journey.

IVCA partnered with Startup Mahakumbh 2025 to enable investor engagement, drive policy dialogue, and strengthen collaborative efforts across the entrepreneurial ecosystem. IVCA members actively participated, reflecting the association's continued role in supporting early-stage capital formation.

We continue to strengthen the broader ecosystem through curated programs and knowledge-sharing initiatives. The #VC101 program last year, brought together emerging fund managers and seasoned professionals to foster peer learning and collaboration. Building on this momentum, the year ahead will include continued engagement with early-stage fund managers, including those in the micro VC segment. The inaugural GreenReturns Summit showcased India's climate investment potential, supported by the launch of the India Energy Transition Report. A CAT III landscape report was released, alongside focused engagements around Secondaries, Exits, and Private Credit, further building depth across these critical segments.

Following the signing of an MoU with IFSCA to deepen collaboration, IVCA co-hosted the inaugural IFSCA–IVCA Fund Management Conclave in GIFT City, bringing together key stakeholders to advance dialogue on Ease of Doing Business for funds. Our international outreach remained strong through the Maximum India Conclave – Singapore edition, reinforcing India's positioning as a global fund management hub.

As we continue on this journey, I am confident that our collective efforts, guided by shared purpose and mutual trust, will enable us to build a deeper, more resilient investment ecosystem for India. Thank you once again for your continued partnership and commitment.

Warm Regards.

With Gratitude to our

Esteemed Government Dignitaries

Dr. V. Anantha Nageswaran
Chief Economic Adviser,
Government of India

Shri K. Rajaraman
Chairperson,
International Financial Services Centres Authority (IFSCA)

Shri Sudatta Mandal
Deputy Managing Director,
Small Industries Development Bank of India (SIDBI)

Shri. Saravana Kumar
Director & CEO,
NSIC Venture Capital Fund Limited (NVCFL)

Shri Jayant Sinha
Senior Advisor,
IVCA Climate & Sustainability Council and
Former Union Minister of State for Finance and Civil Aviation

We extend our sincere gratitude to the esteemed government dignitaries who graced the IVCA Conclave 2025 with their presence. Their vision, leadership, and valuable perspectives continue to play a pivotal role in shaping the future of the alternate asset industry.

Their participation reinforces the importance of collaborative dialogue between policymakers and industry stakeholders in building a resilient investment ecosystem. We deeply appreciate their time and commitment to furthering India's economic growth and entrepreneurial success.

With Gratitude to

Our Partners

Lead Partners

Co-Sponsors

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Fourth Wheel - PE Partner

With Gratitude to

Our Partners

Gala Dinner Partners

ChrysCapital

Indian Angel Network

Khaitan & Co Advocates Since 1911

TVS Capital Funds (P) Limited

Gala Cocktail Partners

Affirma Capital

Aurum Trust is Everything

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IVYCAP

Trifecta Capital

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Our Partners

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PRAXIS GLOBAL ALLIANCE

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PREQIN

Industry Partners

CVCA Canadian Venture Capital & Private Equity Association

Dharma Media Consultants

GPCA Global Private Capital Association

HKVCA Hong Kong Venture Capital and Private Equity Association
The Association for Private Capital in Asia

iATi Israel Advanced Technology Industries

nvca

SAVCA Southern African Venture Capital and Private Equity Association

SVCA

Sustainability Partner

Grow Billion Trees

IMPACT FUND MANAGER FOR THE GLOBAL SOUTH

Aavishkaar Capital

AAVISHKAAR GROUP

Aavishkaar Capital is the impact investing arm of the Aavishkaar Group, focused on the Global South.

A pioneer in taking an entrepreneurship-based approach to scaling businesses for impact, Aavishkaar Capital's unique approach has resulted in its invested enterprises impacting over 135 million lives.

Aavishkaar Capital invests in high environmental and social impact sectors across India, Emerging Asia, and Africa. Aligned to 14 out of the 17 Sustainable Development Goals, Aavishkaar Capital has successfully raised eight funds, while generating commercial returns with over c.$555 million in assets under management.

Aavishkaar Group with its vision to bridge the opportunity gap for the emerging 3 Billion, currently manages over USD 1.45 billion in Impact Assets across its platform.

ESG First Fund, managed by Aavishkaar Capital, set up in partnership with KfW, a German state-owned development bank, is a USD 250 Mn fund focused on investing in Asia and Africa with the mandate of generating superior Environmental, Social and Governance (ESG) outcomes and commercially viable financial returns alongside positive social impact. For more details, write to esgfirst@aavishkaar.in

WE DIRECT CAPITAL WHERE FEW WILL

WE DRIVE IMPACT & RETURNS WHERE FEW CAN

WE BUILD BUSINESSES FEW DARE TO

WE EMBOLDEN ENTREPRENEURS TO CHASE LARGE PROBLEMS WORTH SOLVING

www.aavishkaarcapital.in

Aavishkaar Capital's ESG First Fund: Re-defining sustainable financing for SMEs across Asia & Africa

ESG First Fund

Aavishkaar CAPITAL

AAVISHKAAR GROUP

Aavshkaar Capital, a pioneer impact fund manager, is celebrating a remarkable milestone – over 20 years of driving positive change across Asia and Africa. The company's ESG First Fund, in partnership with KfW is driving transformative impact across India, South East Asia and Africa by empowering SMEs with catalytic credit capital. The fund has made investments across Africa and Asia in companies like – Agrostar and Jumps Auto Industries in India, Midland Bank in Bangladesh, Hela Apparels Plc, Balaji EPZ and Privamnuts EPZ in Africa.

The ESG First fund underscores the unique partnership that we at Aavishkaar Capital have built with KFW Group to develop rapidly innovative products and launch them quickly with trust and long term impact as the bedrock of this partnership. Our focus is to help businesses scale by allowing them to participate in the significant growth of consumer demand for 'socially-conscious products and services'. We support our partners in global supply chains to develop stronger ESG standards and share the benefits of our overseas presence. Additionally, our investment approach of providing flexible solutions across the capital structure will help businesses which may not be ready for an all-equity or all-debt solution, or where shareholders may not wish to dilute.

Aavishkaar stands out in the investment landscape with a strategy that integrates financial returns with impact & environmental, social, and governance (ESG); ensuring a unique approach that promotes sustainability and measurable impact outcomes alongside profitability. "The firm seeks to create a triple bottom line, where every investment not only yields financial returns but also leads to tangible social and environmental benefits. This means supporting businesses that create employment opportunities, improve livelihoods, promote women's empowerment, and adopt sustainable practices," said Monu Jain, Partner, Aavishkaar Capital.

Sector Prioritization and Investment Strategy:

In Asia and Africa, the company has identified a critical need for debt-like instruments to support small and medium-sized enterprises (SMEs). Many of these businesses struggle to access banking facilities due to lack of collateral, complex group structures, etc. The firm has responded by prioritizing investments in sectors with high environmental and social impact, where management teams are not only competent but also aligned with the firm's values. Monu Jain notes that they have prioritized investments in sectors with a higher climate, environmental or social footprint. "Our strategy has evolved to favor debt-like instruments addressing the unique challenges faced by SMEs in accessing traditional banking facilities. This approach has enabled us to provide essential capital while fostering sustainable business growth". The company's investment strategy is designed to support strong management teams, empowering them to excel in their respective industries and generate returns that benefit both investors and the wider community.

Investment Criteria:

Aavishkaar Capital's ESG First Fund's investment criteria revolve around three core aspects: the quality of the management team, alignment of management team with our environmental and sustainability goals, and the potential business & financial outcomes. Furthermore, Aavishkaar supports investee companies with business planning, technical assistance, and capital for capacity building, helping them improve ESG practice. Monu Jain indicates that the firm supports businesses with a significant amount of technical assistance to help them bring about improvements in environmental and social practices by granting funds towards supporting these activities. for . This rigorous evaluation ensures that investments not only generate financial returns but also deliver meaningful social and environmental benefits.

Measuring and Ensuring Impact:

Aavishkaar Capital places a strong emphasis on measuring the impact of its investments. Through evaluation of the ecosystem that each business supports and monitoring employment quality and sustainability practices, Aavishkaar looks to improve livelihoods and environmental outcomes. "Before we look at any investments, we first understand the business model, who benefits and how, impact on the wider community etc. Businesses that can demonstrate a direct or indirect impact on the wider community and the ability to produce returns are our picks". The fund's focus on export-oriented businesses also helps accelerate and spread economic benefits globally. .

Reach out to Us:

Aavishkaar Capital invites entrepreneurs with established businesses seeking growth capital to reach out to us. With a focus on SMEs in global supply chains, particularly for European Union, United States, and UK, Aavishkaar is eager to partner with businesses that align with its impact and sustainability goals.

Entrepreneurs can contact Aavishkaar at ESGfirst@aavishkaar.in for potential collaborations. Please visit Aavishkaar Capital's ESG First Fund website at www.esgfirstfund.com

Special Address

Shri Piyush Goyal, Hon'ble Minister of Commerce & Industry, Government of India

Shri Piyush Goyal

In a special address to the IVCA Conclave 2025, Shri Piyush Goyal lauded the role of alternate capital in powering India's growth ambitions. Extending his congratulations to IVCA on hosting the 14th edition of its annual conclave, he described the platform as a vital force in shaping the nation's investor ecosystem.

"Amchi Mumbai," he noted, "is the ideal setting for this conclave, where ideas transform into enterprises and investments create impact."

As India moves steadfastly toward the vision of *Viksit Bharat,* the Minister underscored the centrality of investors and venture capitalists in catalysing innovation, creating jobs, and building globally competitive enterprises. Quoting Prime Minister Narendra Modi, he reminded the audience that "experts and investors around the world are excited about India," pointing to a 130% surge in private equity and venture capital-backed IPOs in 2024 as a marker of growing confidence.

The address also highlighted key policy moves outlined in the Union Budget, including a ₹10,000 crore allocation to the second Fund of Funds for Startups and the Deep Tech Fund, as well as steps to ensure regulatory stability, improved credit guarantees, and enhanced tax parity.

The Minister called upon the private capital community to channel their energies toward four critical imperatives:

- Catalysing innovation through investments in AI and frontier technologies,
- Channeling domestic capital into the startup ecosystem,
- Championing self-reliance by backing indigenous clean-tech and EV solutions, and
- Cultivating emerging hubs by unlocking potential in India's tier-II and tier-III cities.

Referencing India's upcoming entrepreneurial showcase, Startup Mahakumbh, the Minister underscored the importance of such platforms in bringing together innovators, investors, and industry stakeholders. While the event is now concluded, the spirit it represented—of collaboration, innovation, and scale—remains deeply relevant.

Concluding his message, he extended his congratulations to IVCA and wished the private capital community meaningful deliberations, transformative outcomes, and *"happy investing."*

Driving Growth:

India's Economic Vision for the Next Decade

Dr. V. Anantha Nageswaran, Chief Economic Adviser, Government of India;
Vineet Rai, Founder and Chairman, Aavishkaar Group

(From Left to Right) Dr. V. Anantha Nageswaran, Vineet Rai

In this engaging fireside chat, Rai explored key aspects of India's economic trajectory with Dr. Nageswaran, delving into deregulation, private sector growth, energy transition, and global economic shifts.

Dr. Nageswaran emphasized that while deregulation played a significant role in India's non-financial sector since 1991, financial sector reforms must be carefully structured given their broader economic implications. He noted that true deregulation goes beyond digitization, requiring a fundamental shift in compliance structures to ease business operations and enhance economic efficiency.

Discussing geopolitics and global economic cycles, Dr. Nageswaran highlighted the changing trade dynamics and the impact of inflation on investment flows. He pointed out that India must prioritize energy security alongside energy transition, ensuring that policy decisions align with long-term economic stability.

Addressing the role of private equity and venture capital in India's growth, Dr. Nageswaran acknowledged their importance in fostering entrepreneurship and innovation. He noted that despite rupee depreciation concerns, India has consistently delivered strong returns to investors, reinforcing its attractiveness as an investment destination.

On impact investing, Dr. Nageswaran recognized its growing significance in addressing sustainable development goals. He underscored the government's role in de-risking investments to encourage greater participation in the sector.

In conclusion, Dr. Nageswaran predicted that India will continue to be among the fastest-growing economies, benefiting from a strong demographic advantage and deep capital markets. He highlighted that India's economic resilience, coupled with strategic policy decisions, will position the country as a key player in the global investment landscape.

"The framework for the next decade of growth presents deregulation, the private sector, and energy transition as key pillars shaping India's future. How do you see deregulation playing a role in this?"
Vineet Rai

"True deregulation is not just about making processes digital; it's about simplifying compliance and enabling businesses to operate efficiently. The focus should be on removing barriers that stifle growth."
Dr. V. Anantha Nageswaran

Incorporating ESG Risk in Investing

Dr. Nirav Patel, Partner, ESG Consulting, Uniqus; Sowmya Suryanarayanan, Director-Impact & ESG, Aavishkaar Capital and IVCA Impact and ESG Council Co-Chair

(From Left to Right) Dr. Nirav Patel, Sowmya Suryanarayanan

In an insightful discussion on "Incorporating ESG Risk in Investing," Suryanarayanan engaged with Dr. Patel to explore how the evolving ESG landscape is influencing investment strategies and decision-making in private equity and venture capital.

Suryanarayanan opened the conversation by highlighting the global regulatory shifts impacting ESG, noting that over 60 countries are heading to polls in 2024, with their outcomes expected to shape sustainability regulations, international trade, and corporate supply chains. She emphasized that investors must develop sustainability strategies that align with these changing dynamics to ensure long-term resilience.

Dr. Patel provided insights into the growing adoption of ESG principles across investment firms, pointing out that while some funds—especially those backed by sovereign wealth funds and pension funds—have well-established ESG frameworks, others are still in the early stages of integration. He stressed the importance of embedding ESG considerations at the due diligence stage, identifying risks and opportunities not just from a financial perspective but also from environmental, social, and governance lenses. "To build resilient business models, investors must evaluate ESG risks at every level—sectoral, geographic, and operational—to drive long-term value," he noted.

Suryanarayanan underscored the role of impact investors in institutionalizing ESG within portfolio companies, stating that ESG is not just about risk mitigation but also about value creation. "We work with SMEs exporting to Europe to integrate ESG not as a compliance checklist but as a means to enhance market share and pricing premiums," she explained. She also pointed out that investors need to balance ESG priorities with business feasibility and ensure that companies have the capacity to implement meaningful changes.

On the challenges of ESG implementation, Dr. Patel acknowledged that short investment horizons often make it difficult to measure the benefits of ESG integration. However, he noted a positive shift, with more investors recognizing that a strong ESG framework enhances competitiveness and valuation during exits. He stressed the importance of continuous risk evaluation and embedding ESG principles from investment to exit to ensure sustainability strategies are deeply ingrained in business operations.

The discussion concluded with both speakers highlighting the rising investor demand for ESG integration, noting that LPs, employees, and customers are increasingly prioritizing responsible investing. Dr. Patel recommended that PE-VC firms become signatories to global ESG initiatives, such as the Principles for Responsible Investment (PRI) and the ESG Data Convergence Initiative, to bring greater rigor to their ESG efforts.

"Investors must evaluate ESG risks at every level—sectoral, geographic, and operational—to drive long-term value."
Dr. Nirav Patel

"Institutionalizing ESG is about more than compliance; it's about creating value and ensuring businesses are built for sustainable growth."
Sowmya Suryanarayanan

The fireside chat underscored the need for investors to proactively integrate ESG into their strategies, ensuring that businesses remain resilient amid evolving global regulations and sustainability challenges.

Building India's Financial Future

Policy, Investment, and Sustainability

Ashley Menezes, Chairperson, IVCA and Partner & COO, ChrysCapital Advisors LLP; Shri Jayant Sinha, Senior Advisor, IVCA Climate & Sustainability Council and Former Union Minister of State for Finance and Civil Aviation

(From Left to Right) Ashley Menezes, Shri Jayant Sinha

Menezes opened the discussion by acknowledging Shri Sinha's vast contributions to India's financial landscape. He highlighted Shri Sinha's pivotal roles—as an investor, policymaker, and advocate for sustainable finance—emphasizing his impact in shaping the alternative investment ecosystem and driving India's green transition.

Shri Sinha began by reflecting on the growth of India's financial system over the last three decades, noting that India's GDP has expanded from $0.7 trillion in 2004 to nearly $4 trillion in 2024. He underscored the transformative role of the Alternative Investment Fund (AIF) industry, which now includes over 700 AIFs managing ₹7-8 lakh crore, and traced the evolution of the AIF framework. He shared an anecdote from his tenure at the Finance Ministry, detailing a whiteboard discussion with Shri Shaktikanta Das that led to the introduction of tax pass-through for AIFs, ensuring a fair tax structure and facilitating foreign capital inflows.

Discussing climate finance, Shri Sinha stressed the urgency of investment-led sustainability efforts, citing projections of global warming exceeding 3°C by 2100. He emphasized the role of private markets in financing renewable energy, electric mobility, and sustainable infrastructure, calling it a multi-trillion-dollar opportunity. He urged investors to integrate sustainability into their portfolios, stating, "The solution lies in investment—India must mobilize capital at scale to build a cleaner, greener economy."

Menezes shifted the conversation to India's Fund of Funds initiative, asking about its origin. Shri Sinha recounted how the ₹10,000 crore Fund of Funds announced in 2016 became a cornerstone for domestic venture capital. He explained how an external investment committee—staffed with industry veterans—ensured fund allocation based on merit, leading to ₹90,000 crore in investments across 140+ funds and 11,000 startups. He praised the government's latest budget for expanding this initiative, reinforcing its role in fueling India's startup ecosystem.

Addressing regulatory advancements, Shri Sinha highlighted India's National Investment and Infrastructure Fund (NIIF) as a game-changing policy decision. He credited Shri Arun Jaitley for structuring NIIF with 51% private ownership and 49% government participation, ensuring it functioned as a sovereign wealth fund rather than a state-controlled entity. "This decision positioned NIIF as a catalyst for long-term infrastructure investment," he remarked.

Concluding, Shri Sinha discussed Digi Yatra, India's national digital traveler program, which streamlines airport entry through facial recognition. He revealed that the policy innovation behind Digi Yatra—mandating airlines to share PNR data with airports—was key to its implementation. "India now has the world's only national digital traveler program, built with privacy safeguards and seamless integration," he stated.

Menezes lauded Shri Sinha's foresight and contributions, reinforcing the importance of aligning policy, investment, and sustainability to shape India's financial future.

"India's financial future hinges on aligning policy, investment, and sustainability. Private capital must step up to drive this transformation."
Ashley Menezes

"The solution lies in investment—India must mobilize capital at scale to build a cleaner, greener economy."
Shri Jayant Sinha

Bridging Finance and Innovation

Insights from Banking, Venture Capital, and Startups

Karthik Reddy, Co-founder & Partner, Blume Ventures; V. Vaidyanathan, Managing Director & CEO, IDFC FIRST Bank

(From Left to Right) V. Vaidyanathan, Karthik Reddy

Reddy opened the discussion by setting the stage for an insightful conversation with Vaidyanathan, recognizing his role in shaping IDFC FIRST Bank's journey. He highlighted Vaidyanathan's transition from Capital First to leading IDFC FIRST Bank, emphasizing his pioneering approach to embedding a startup mindset in a traditional banking structure. Despite entering the sector later than most private banks, Vaidyanathan built a formidable institution by focusing on technology and customer-centric strategies.

Vaidyanathan explained that being a late entrant presented challenges, particularly the lack of an income pool and established customer base. However, this allowed the bank to take a fresh approach by integrating digital infrastructure at its core. "The advantage of starting late is that we could take a different route—making technology and customer experience central to our strategy," said Vaidyanathan.

Reddy acknowledged IDFC FIRST Bank's deep engagement with the startup ecosystem, emphasizing that it was the only bank to sponsor major startup awards and actively foster relationships with venture capital firms. Vaidyanathan noted, "We work with over 120,000 startups because our DNA matches—we are both tech-first institutions." He stressed that startups are not just clients but key partners in building a modern banking infrastructure.

Discussing fintech partnerships, Vaidyanathan elaborated on how fintech firms enhance banking operations by supporting KYC verification, tax integrations, and financial analytics. "Our entire tech stack—lending, deposits, cash management—is powered by fintechs. Many institutions see onboarding startups as a favor; we see it as them helping us build a better bank," said Vaidyanathan.

Reddy steered the conversation towards embedded finance and digital lending, asking how IDFC FIRST Bank is leveraging these trends. Vaidyanathan cited examples of agritech firms using the bank's platform to offer supply chain financing, expanding financial inclusion. "By integrating with large banking platforms, fintech firms gain scale while we deliver tailored financial solutions," he said.

On regulatory shifts, Vaidyanathan commended reforms that have improved financial stability and curbed exploitative lending practices. He emphasized the impact of AI, noting that digital KYC has reduced costs from ₹150 to ₹2. "AI is transforming banking rapidly—moving from online to mobile to generative AI, and now agentic AI that executes tasks," said Vaidyanathan.

Concluding, Vaidyanathan extended an invitation to startups working in green finance, agritech, and sanitation, stating that IDFC FIRST Bank is eager to collaborate. "We have disbursed 1 million cattle loans and 16 million consumer loans. If you are developing solutions in sustainability, agriculture, or financial inclusion, we welcome collaboration," he said.

"The ability of the alternate capital sector to integrate technology-driven solutions will define its long-term success. Investors, startups, and financial institutions must work together to drive meaningful change."
Karthik Reddy

"Startups are not just clients; they are helping us build the bank. Our entire tech stack—lending, deposits, cash management—runs on startup-driven technology. Giving them respect is the starting point of a good relationship."
V. Vaidyanathan

A venture capital firm dedicated to identifying and empowering breakthrough entrepreneurs who are redefining industry landscapes through innovative solutions.

You might think venture capital is all about funding. For us, it's about empowering founders and building lasting partnerships.

Investment Criteria

We're **passionate** about backing innovative companies that are transforming their industries.

- Have established product-market-fit (PMF).
- Are looking to raise capital at Series A and Early Series B.
- Offer the potential for Cactus Partners to supplement founder efforts with its Growth Acceleration Playbook (GAP).

Our Portfolio

Offices

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Lower Parel, Mumbai 400013

Phone: +91 22 47500395

Bangalore

Prestige Atlanta
80 Feet Rd, Main Road
Koramangala 1A Block
Bengaluru, 560034

Gurgaon

4th Floor, DLF Two Horizon Centre, DLF Phase 5, Sector 43, Gurugram 122002

Leveraging Alternate Capital Funds

for M&A and Control Transactions

Gopal Srinivasan, Chairman & Managing Director, TVS Capital Funds; Renuka Ramnath, Founder, MD & CEO, Multiples Alternate Asset Management; Zia Mody, Co–Founder & Managing Partner, AZB & Partners

(From Left to Right) Zia Mody, Renuka Ramnath, Gopal Srinivasan

As India's private capital ecosystem continues to mature, this session examined the regulatory and structural shifts needed to unlock greater domestic participation in M&A and buyout transactions.

Srinivasan laid out the current landscape, citing the $56 billion invested in private capital in India in 2023. He highlighted that while buyouts comprised nearly 30% of total deals, domestic funds still struggle to scale in this space due to restrictive regulations. "Control and buyout transactions are delivering higher median returns globally — three percentage points above the blended PE-VC average — and India must enable domestic capital to compete on equal footing," he said.

Ramnath pointed to structural constraints as a major deterrent. She detailed how conflicting regulatory frameworks between SEBI and the RBI limit domestic managers from accessing leverage or executing co-investment strategies efficiently. She noted, "More than 90% of India's control transactions today are executed by global funds — not due to lack of capability among Indian managers, but due to lack of enabling regulation."

The panel discussed the potential of aligning SEBI's domestic AIF regulations with IFSCA's more flexible framework at GIFT City. Mody underscored that the recent budget move to tax AIF income as capital gains was a step in the right direction, but far more coordination is needed across agencies.

The discussion made a compelling case for unlocking pension, insurance, and sovereign capital for AIFs — framing the issue as not just an economic opportunity, but a policy imperative for India to retain ownership of its growth story.

"Domestic capital must be given the chance to participate in India's buyout wave. This is not just about returns — it's about nation-building."
Gopal Srinivasan

"More than 90% of India's control transactions are led by global funds — we have the capability, what we lack is regulatory flexibility."
Renuka Ramnath

"The alignment of SEBI and RBI frameworks with IFSCA's progressive stance could be a game-changer for Indian AIFs."
Zia Mody

India's Growth Story

Analysing the Numbers Behind the Narrative

Dharmakirti Joshi, Chief Economist, CRISIL; Mohanjit Jolly, Partner, Iron Pillar; Shivani Bhasin Sachdeva, Managing Director & CEO, India Alternatives

(From Left to Right) Dharmakirti Joshi, Mohanjit Jolly, Shivani Bhasin Sachdeva

Moderated by Sachdeva, this timely discussion dissected India's macroeconomic position amidst global volatility, protectionist trends, and the AI revolution — and what it all means for private capital investors.

Joshi provided the macroeconomic lens, noting that India's trade surplus with the US and relatively higher tariffs could place it in the crosshairs of future tariff escalations. He warned that capital outflows from emerging markets remain a real risk if US rates stay elevated, and stressed the importance of activating domestic growth levers such as infrastructure spending and policy execution.

Jolly offered a venture capital perspective, asserting that generative AI could be a "positive inflection point" for Indian startups. As foundational infrastructure becomes more affordable, Indian companies — particularly those focused on enterprise applications — are well-placed to scale rapidly while maintaining profitability. He also flagged an uptick in consolidation and a growing path to liquidity via India's evolving public markets.

The session also explored India's emerging strength as a tech and capital hub, with Sachdeva pointing to the growing trend of "reverse flipping" — a signal that India's regulatory and listing frameworks are gaining investor confidence.

While global headwinds remain, India's growth story is underpinned by resilient fundamentals, digital productivity, and maturing capital markets — creating long-term opportunities for well-positioned capital.

"Capital will flow to economies that combine productivity with predictability. That's where India must lead."
Dharmakirti Joshi

"AI is creating margin expansion at scale — startups that leverage it right will attract capital even in cautious markets."
Mohanjit Jolly

"India's public markets are finally mature enough to offer real liquidity pathways — reverse-flipping is no longer a trend, it's a signal."
Shivani Bhasin Sachdeva

Bridging Tradition and Innovation

How Domestic LPs and Family Offices Shape Alternative Investments in India

Ashu Suyash, Founder and CEO, Colossa Ventures; Gopal Jain, Managing Partner, Gaja Capital; Joe John Kuruvilla, Member of the Investment Committee, Dani Family Office; Nitai Utkarsh, Lead – Investment Strategy & Chairman's Family Office, Hero MotoCorp Limited; Shri Saravana Kumar, Director & CEO, NSIC Venture Capital Fund Limited (NVCFL); Tejesh Chitlangi, Joint Managing Partner, IC Universal Legal

(From Left to Right) Shri Saravana Kumar, Ashu Suyash, Gopal Jain, Joe John Kuruvilla, Nitai Utkarsh, Tejesh Chitlangi

The panel explored how domestic LPs and family offices increasingly shape India's alternative investment landscape. Chitlangi introduced the discussion highlighting India's rapidly expanding AIF sector, noting the industry's recent milestone crossing 1,500 registered AIFs and commitments exceeding ₹12.5 lakh crore, marking approximately one-fifth of the mutual fund industry's size. He emphasised the optimistic projection that by 2028, the AIF industry might match the size of the mutual fund industry, driven by significant domestic engagement.

Kuruvilla shared insights on family offices' increasing preference for alternative investments, highlighting two main factors—access to emerging technology-driven and consumer-centric sectors, and a patient investment philosophy unique to family offices. He underscored the strategic value family offices offer, including extensive networks, an owner-centric mindset, and sustained long-term capital commitment, crucial in nurturing India's innovative and growth-oriented enterprises.

Jain addressed necessary regulatory reforms to unlock India's considerable domestic savings for the alternatives sector. Noting India's growth trajectory from $2 billion to $40 billion annually in alternatives, Jain stressed the importance of enabling pension funds, charitable trusts, and banking institutions to participate more actively. He advocated strongly for a robust fund-of-funds ecosystem, highlighting its critical role in scaling the industry towards an ambitious target of $200 billion annually.

Shri Kumar detailed the impact and strategic objectives of the Self Reliant India (SRI) fund—a ₹10,000 crore sovereign-backed fund-of-funds initiative launched to support MSMEs post-pandemic. Shri Kumar described the substantial multiplier effect the fund generated, detailing how initial contributions catalysed equity inflows reaching ₹50,000 crore, amplifying further to nearly ₹2 lakh crore through debt financing. He emphasised the fund's targeted approach prioritising manufacturing sectors, regional diversification beyond traditional metropolitan areas, and significant employment creation, particularly for women entrepreneurs.

Suyash highlighted the reduced dependence of Indian General Partners (GPs) on offshore capital due to growing domestic affluence and institutional involvement. Drawing parallels with the evolution of India's mutual fund industry, she discussed transformative changes in LP-GP relationships, including enhanced due diligence processes, ESG practice integration, expanding co-investment interests, sector-specific exclusions, active LP involvement in portfolio management, and increasingly structured exit conversations.

Utkarsh outlined strategic considerations family offices apply when investing in alternatives, emphasising a combined approach of direct investments and fund-based allocations. He advised emerging family offices initially to leverage funds to gain sectoral insights, subsequently transitioning to more informed direct investments aligning with their strategic objectives.

Jain also provided a global LP perspective, noting a shift where India increasingly represents a diversification strategy rather than purely performance-driven returns. He encouraged domestic LPs to adopt structured, professionalised approaches, emphasising the advantages of investing through established funds rather than directly, unless supported by substantial infrastructure and long-term commitment.

Concluding, Suyash called for stronger collaboration between regulatory bodies and market participants, underscoring the AIF industry's critical role as developmental capital in achieving India's ambitious economic goals. She stressed the importance of policy reforms facilitating more significant participation from domestic capital sources like insurance, pensions, and banks, highlighting that decisive regulatory and policy actions are essential for realising India's full economic potential.

Expert Insights & Reflections

"India's VC and private equity industry needs more structured reforms and substantial domestic capital pools to sustain growth momentum."
Ashu Suyash

"Family offices must first invest through funds to learn the game before strategically investing directly in alternative asset classes."
Nitai Utkarsh

"The pathway from $40 billion to $200 billion in annual alternative investments depends on regulatory innovation and extensive domestic capital mobilisation."
Gopal Jain

"The SRI Fund's success illustrates how targeted sovereign backing can significantly amplify capital flows and create widespread socioeconomic impact."
Shri Saravana Kumar

"Domestic family offices offer patient capital, unique networks, and an owner's mindset, critical for nurturing India's private markets."
Joe John Kuruvilla

"The AIF regime has reached a turning point—with ₹12.5 lakh crore in commitments, it's no longer a niche. Domestic capital is shaping the future."
Tejesh Chitlangi

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Building Resilient Climate Innovation Ecosystems

Nipun Sahni, Advisor, Apollo Global Management and Founder, Rezone Investments; Nishith Desai, Founder, Nishith Desai Associates (NDA); Raj Pai, Founding Partner, GEF Capital Partners; Rema Subramanian, Co-founder and Managing Partner, Ankur Capital Fund; Ruchira Shukla, Managing Partner, Synapses; Sandiip Bhammer, Managing Partner, Green Frontier Capital; Vivek Jain, Co-Founder & CBO, Stride Green

(From Left to Right) Nipun Sahni, Raj Pai, Rema Subramanian, Ruchira Shukla, Sandiip Bhammer, Vivek Jain, Nishith Desai

The session explored how India can navigate geopolitical uncertainty, capital limitations, and policy shifts to build a resilient climate innovation ecosystem.

Sahni opened with a hard truth: despite global commitments, fossil fuel usage has only dipped slightly. He argued that India must move from dependence on global capital to financial self-reliance, warning that most of the needed funding is still absent. With capital flows increasingly unpredictable, he urged for bolder ambition, frameworks tailored to climate goals, and India-first thinking across investment strategy.

Bhammer contextualised India's climate urgency by linking it to growth: India is the third-largest emitter and poised to grow GDP 4x in the next two decades. But therein lies the opportunity—innovations like electric mobility offer 90%+ cost savings and strong unit economics. He differentiated between types of capital, stating that while early innovation capital is available, what's lacking is growth-stage and scale capital.

Desai suggested that better storytelling—grounded in compelling economics—could reframe climate as a high-return, high-impact sector. Several panellists agreed that the perception of climate as only impact-driven must evolve. Storytelling anchored in exits, unit economics, and real-world proof points will attract the broader investor base.
Jain reinforced that India's climate ecosystem is entering a high-growth phase. Strong policy push, blended finance models, and widespread innovation—from food security to AI-led climate solutions—are aligning. Though global targets may be slipping, India's internal momentum is building.

Pai underscored that climate must be viewed not just as an environmental priority but a matter of national security. India's deep reliance on energy imports, from solar wafers to rare earths, makes energy transition an economic and geopolitical imperative. He pointed out that India's renewable energy success has been driven by simple economics—clean energy is cheaper, not just cleaner.

Shukla echoed that climate is not a siloed sector—it spans energy transition, agri-tech, circular economy, and more. She noted that India's climate entrepreneurs are building businesses with strong IP, profitable models, and real-world scalability. With thoughtful regulation, growing capital inflows, and increasing awareness of the global opportunity, India is well-positioned to lead.

Subramanian broadened the lens, highlighting how climate action also intersects with food security and sustainable manufacturing. She stressed that India's deep-tech entrepreneurs are building globally relevant solutions in areas like bio-manufacturing, battery chemistries, and resilient seeds—often attracting foreign capital when domestic growth funding is lacking. Incentivising R&D and enabling more patient capital are key, she argued.

As discussion turned to global headwinds, perspectives diverged. While Pai highlighted the risk of capital flight amid foreign policy shifts, Bhammer shared that investor appetite for India is growing—especially as India leans into green leadership. Shukla added that the crisis itself is the strongest catalyst; the urgency of climate action is compelling policymakers and investors alike.

Bhammer explained how his fund balances risk by exiting scale-ready investments early to free up capital for longer-term, deep-science ventures.

Subramanian stressed the need to communicate India's global relevance, especially for solutions with international applicability. Sahni added that India must think bigger and act faster if it wants to compete on a global stage.

The panel also presented forward-looking policy suggestions. Shukla proposed tapping into CSR pools to fund VC-led innovation. Subramanian and Pai called for R&D investment to rise to 3% of GDP and for incentives to attract private sector capital into science-led innovation. Bhammer advocated for decentralised innovation hubs tied to local climate needs, following successful models from New York. Sahni reiterated the importance of building capital independence as part of India's climate resilience strategy.

Expert Insights & Reflections

"Capital independence must become part of India's climate strategy."
Nipun Sahni

"We must communicate clearly that climate investment is as robust and rewarding as any other."
Nishith Desai

"India's climate story must be framed in economic terms—returns, not just responsibility."
Raj Pai

"The climate ecosystem in India is thriving—with innovation, policy support, and blended finance."
Rema Subramanian

"Climate is not one sector—it cuts across energy, agri-tech, circular economy, and more."
Ruchira Shukla

"You can't ignore a 90% cost saving—EVs in India make money, not just impact."
Sandiip Bhammer

"Public-private innovation hubs are essential to solving local climate problems."
Vivek Jain


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Driving Successful Buyouts

From Vision to Value

Deepak Dara, Senior Managing Director and Head of India, Ontario Teachers' Pension Plan; Manish Kejriwal, Founder & Managing Partner, Kedaara Capital; Mukesh Mehta, Senior Managing Director, Blackstone; Shereen Bhan, Managing Editor, CNBC-TV18; Sumeet Narang, Founder, Managing Director & Co-CIO, Samara Capital; Vivek Pandit, Senior Partner, McKinsey & Company

(From Left to Right) Shereen Bhan, Deepak Dara, Manish Kejriwal, Mukesh Mehta, Sumeet Narang, Vivek Pandit

As the Indian private equity ecosystem gains maturity, this session focused on the evolution and acceleration of buyout strategies in the country. The conversation examined the interplay between macroeconomic trends and India's investment climate, the growing control deal momentum, and the regulatory and operational enablers for sustainable value creation.

Bhan set the tone with sharp observations on India's growing appetite for control deals. She noted that sectors like IT, healthcare, and retail are increasingly at the forefront of buyout activity. She also highlighted the growing interest of global firms in partnering with Indian platforms and pointed to reverse-flipping as a signal of India's maturing capital market.

Kejriwal opened with global context, highlighting how macro trends such as declining distributions and tighter liquidity among GPs globally are not hampering India's long-term momentum. Despite price discipline, Indian GPs are stepping up with conviction, supported by stronger public market exits and India's growing importance in global capital allocation.

Pandit underscored the increasing concentration of buyouts in financial services, healthcare, and IT/BPO, owing to their cash-generative nature and ownership readiness. He noted that buyouts are delivering superior risk-adjusted returns globally and in India, due to improved governance and control over exit timing. He added that the quality of Indian assets combined with buyout control structures makes them attractive for institutional investors.

Mehta reflected on the structural evolution of Indian private equity over two decades, particularly the shift from minority to control deals. He emphasised that value creation is increasingly driven by EBITDA growth, strategic CXO upgrades, and operational transformation. Companies like Aadhar Housing and Care Hospitals, he noted, have scaled significantly post-acquisition.

Narang highlighted mid-market opportunities and consolidation plays, particularly in fragmented sectors like insurance broking and packaged food. He explained that India's current public market valuations are encouraging a shift to private deals, and that deal momentum is expected to accelerate. Roll-up strategies, he said, remain a proven growth lever.

Dara provided a long-term LP view, reiterating the importance of governance, patient capital, and sectoral discipline. OTPP, he said, has deployed directly in nine transactions since opening its India office in 2022. For India to realise its potential, consistent discipline and credible partnerships are key. He added that India's bottom-up growth model makes it a compelling long-term bet.

The panel addressed valuations and their impact on deal-making. While India continues to trade at a premium, all agreed that quality assets justify their multiples. Kejriwal and Mehta both signalled that the second half of 2025 is likely to be a buyer's market, as market corrections bring down expectations.

The discussion also touched on enabling policy reforms. Narang advocated for modernising banking norms to allow lending against strong cash flows, while Pandit urged regulators to differentiate between promoter-led firms and fiduciary-managed investments to foster a more conducive environment for buyouts.

The session closed with a candid look at potential risks. Kejriwal warned against hubris in a bullish cycle and emphasised the need for governance-led growth. Pandit echoed the concern, adding that while India is optimistic, the private equity ecosystem must remain disciplined in capital deployment and investor expectations.

Expert Insights & Reflections

"India is a bottom-up market. With the right counterparties and long-term view, the value creation runway is massive."
Deepak Dara

"Despite price discipline, Indian GPs are stepping up with conviction."
Manish Kejriwal

"Returns are increasingly driven by EBITDA growth — not cheap entry."
Mukesh Mehta

"Buyouts are no longer an outlier strategy — they're at the centre of India's maturing capital story."
Shereen Bhan

"India's consumer, insurance, and food sectors are ripe for roll-ups. Deal flow will accelerate if public market valuations remain muted."
Sumeet Narang

"Buyouts in India are outperforming because they reduce beta and enhance governance."
Vivek Pandit

Evaluating Risk and Reward

LP Perspectives

Amit Sachdeva, Managing Director, AlpInvest Partners; Ankita Baheti, Investment Director, Schroders; David Low, Partner, Head of Private Markets, Asia, Albourne Partners; Gautam Mehra, Partner, PricewaterhouseCoopers Professional Services LLP, India; Gene Pohren, Co-founder and Managing Director, 57 Stars; Kunal Sood, Managing Director, Pantheon and Chair, IVCA LP Council; Neha Grover, Regional Lead, South Asia Funds Group, IFC

(From Left to Right) Gautam Mehra, David Low, Ankita Baheti, Gene Pohren, Kunal Sood, Neha Grover, Amit Sachdeva

In a dynamic dialogue highlighting both optimism and caution, industry leaders shared insightful perspectives on navigating India's evolving investment landscape. Mehra opened the discussion highlighting how disruption and unpredictability have reshaped investor perspectives, emphasising the increasing significance of domestic capital and sustained optimism among Indian CEOs. Sachdeva described India's current market as uniquely attractive, supported by robust GDP growth, demographic dividends, increased buyout activities, and stronger exit environments. He highlighted a marked improvement in IPO markets, noting a 60 percent exit rate through public listings.

Grover echoed this positivity, stating India's compelling opportunity despite historically high valuations. She identified robust exits over the past six years, particularly through IPOs, as a significant risk mitigator. Grover advised cautious optimism, stressing disciplined investment practices to maintain sustainability amid valuation pressures.

Sood presented a balanced view, acknowledging India's strong growth trajectory but cautioning that geopolitical uncertainties, currency fluctuations, and significant capital outflows necessitate strategic recalibration. He suggested managers consider alternative exit strategies beyond IPOs, ensuring flexibility in uncertain markets.

Baheti shared insights from a long-term investment horizon, recommending a focus on sustainable local value creation to mitigate global volatility impacts. She advocated sector and strategy specialisation, stressing the importance of focused operational expertise to effectively manage India's inherent macroeconomic risks.

Low offered a comparative perspective, emphasising that while India presents considerable opportunities, it competes directly with consistently high-performing markets like the U.S. He underscored the importance of attracting diversified international capital by demonstrating robust returns, transparency, and effective governance.

Pohren provided a historical perspective, highlighting India's evolution from primarily minority growth investments to more diversified strategies including buyouts, continuation vehicles, and specialised funds. He emphasised the importance of domestic capital, domain specialisation, and new liquidity solutions such as NAV lending, enhancing India's attractiveness to global investors.

Sachdeva emphasised the growing relevance of co-investments and secondaries, advocating for closer GP-LP partnerships that foster trust, improve transparency, and provide enhanced exit flexibility. He encouraged GPs to proactively explore secondary market opportunities as complementary to traditional exit avenues.

Addressing emerging technological trends, Grover and Sood highlighted the critical role of technology integration, including AI and data analytics, in enhancing portfolio company competitiveness. They urged GPs to proactively educate themselves and their portfolio companies on evolving technological disruptions.

Baheti concluded by emphasising the balanced sectoral approach required in India, cautioning against excessive enthusiasm in rapidly growing sectors without thorough diligence. She recommended maintaining a diverse portfolio approach, blending traditional and tech-enabled businesses to ensure sustainable returns.

Expert Insights & Reflections

"India's private equity environment feels genuinely attractive today, marked by stable exits and more robust buyout activities."
Amit Sachdeva

"Sector and strategy specialisation helps mitigate India's macroeconomic risks, ensuring long-term sustainable value creation."
Ankita Baheti

"India needs to consistently deliver robust returns to attract diverse international capital in a highly competitive global investment landscape."
David Low

"India's growth story, driven by domestic capital and sustained CEO optimism, stands resilient amid global unpredictability."
Gautam Mehra

"Domestic capital, specialised domain expertise, and innovative liquidity solutions have significantly enhanced India's attractiveness."
Gene Pohren

"In today's uncertain global environment, managers must consider alternative exit pathways beyond traditional IPO markets."
Kunal Sood

"Maintaining disciplined investment practices amid high valuations is crucial for sustainable growth in India's PE and VC landscape."
Neha Grover

Green Horizons

Financing the Transition to a Climate-Neutral Economy

Akhilesh Tilotia, Co-founder, Thurro and Co-Chair, IVCA Climate & Sustainability Council; Maanvi Ahuja, Principal, Infrastructure and Sustainable Energies, India, CPP Investments; Sambhav Ranka, Senior Partner, IC Universal Legal (Moderator); Sandiip Bhammer, Managing Partner, Green Frontier Capital; Venkat Bhargav Sreedhara, Financial Sector Specialist, The World Bank

(From Left to Right) Akhilesh Tilotia, Sandiip Bhammer, Maanvi Ahuja, Venkat Bhargav Sreedhara, Sambhav Ranka

The panel addressed critical strategies necessary for mobilising significant capital toward India's transition to a climate-neutral economy, highlighting innovative policy frameworks, blended finance models, and preventive financial solutions.

Sreedhara initiated the dialogue by outlining the critical role of Multilateral Development Banks (MDBs) in climate financing, noting the World Bank's substantial commitment to allocating 45% of its global financing towards climate mitigation and adaptation projects. He highlighted specific initiatives like the Livable Planet Fund, designed explicitly for climate projects. Sreedhara emphasised the catalytic role MDBs play through leveraging guarantees and facilitating public-private sector collaborations, essential in meeting India's ambitious target of $10 trillion in climate finance by 2070.

Tilotia elaborated on the necessity for structured governmental interventions to foster an attractive investment landscape. He articulated how policy frameworks could enhance project viability through assured revenue streams, such as renewable energy procurement mandates, and payment security mechanisms. Tilotia also advocated the construction of foundational public infrastructure—comparable to India's digital infrastructure stack—to reduce project costs. He further proposed asset pooling, first-loss guarantees, and risk-sharing arrangements as essential financial tools, which would mitigate risks and encourage greater private sector participation.

Bhammer highlighted significant challenges in India's growth-stage capital, pointing to inadequate domestic pools of capital and a lack of a robust investment banking ecosystem as key impediments. He advocated for the implementation of innovative financial tools, notably first-loss guarantees, to effectively bridge financing gaps, particularly at early venture stages. Bhammer underscored the value of philanthropic capital and international collaboration, stressing that climate ventures in India should establish global linkages to facilitate access to international markets and technical know-how.

Ahuja brought forth the international investor's perspective, discussing the complex balance between India's appealing growth prospects and the challenges related to risk-return profiles, regulatory uncertainties, and insufficient project scales. However, she recognised recent positive shifts, notably improved opportunities for public market exits, and emphasised that disciplined execution and investor-company alignment are crucial to making climate investments attractive. Ahuja called for pragmatic approaches to overcome these challenges by balancing market optimism with practical execution.

Ranka stressed the importance of preventive financial measures to protect India's economy from climate-induced disasters. He called for the increased adoption of sophisticated financial instruments such as parametric insurance, risk pools, and catastrophe bonds. Ranka emphasised the importance of fostering proactive collaboration among public, private, and philanthropic stakeholders, advocating for structured financial solutions designed to preemptively manage climate risks rather than relying solely on reactive disaster financing mechanisms.

During the discussion, Sreedhara reinforced Ranka's perspective, underscoring the urgency of shifting from reactive to preventive financial strategies. Tilotia echoed similar sentiments, calling for comprehensive policy frameworks to address India's vast uninsured climate risks, and emphasised the necessity for significant public-sector involvement in facilitating India-specific, affordable financial solutions.

Concluding the panel, Ranka summarised key themes discussed, highlighting proactive climate risk management through innovative financial mechanisms as essential for India's long-term economic resilience. Each panellist identified critical success factors: Ahuja highlighted disciplined execution; Tilotia emphasised affordability and India-centric solutions; Sreedhara called for resource convergence among public, private, and philanthropic sectors; Bhammer positioned India as a global climate innovation leader; and Ranka reiterated the critical need for preventive financial frameworks.

Expert Insights & Reflections

"Government policy must address returns, costs, and risk to unlock climate finance."
Akhilesh Tilotia

"International investors seek clarity, scale, and realistic returns—India needs to balance optimism with execution."
Maanvi Ahuja

"Preventive financial strategies like parametric insurance and catastrophe bonds are essential to safeguard India's economy from climate risks."
Sambhav Ranka

"India's climate financing gap lies in growth capital—solving it requires innovative guarantees and stronger domestic markets."
Sandiip Bhammer

"MDBs must catalyse private capital with targeted instruments and clear commitments to climate financing."
Venkat Bhargav Sreedhara

Growth Investing Playbook

Scaling Up for India's Market Potential

Ashish Fafadia, Partner, Blume Ventures; Madhur Singhal, Managing Partner, Private Capital, Praxis Global Alliance; Nupur Garg, Founder, Winpe; Rochelle Dsouza, Managing Director, Lighthouse Funds; Sumeet Abrol, Partner & Deals Consulting Leader, Grant Thornton Bharat; Vikas Choudhury, Managing Partner, Playbook

(From Left to Right) Ashish Fafadia, Nupur Garg, Rochelle Dsouza, Sumeet Abrol, Vikas Choudhury, Madhur Singhal

The panel commenced with a comprehensive exploration of India's growth investing landscape, setting the stage for discussions on current trends, market dynamics, and strategic insights. Singhal began the session by exploring recent growth equity trends, highlighting significant shifts in India's investing landscape. Abrol elaborated further, noting that the last five years saw approximately $250-$275 billion in private capital deployment, predicting a potential investment of nearly $700 billion over the next six years, underpinned by robust GDP growth. He underscored that private equity had emerged as a transformative fourth engine driving India's economic growth, complementing traditional pillars of government enterprises, private family businesses, and MNCs.

Fafadia addressed recent deal-making dynamics, suggesting the current environment reflects more rational valuations, positively influencing growth capital inflow. He highlighted India's digital public infrastructure (DPI) and policy reforms, such as GST, as fundamental catalysts creating sustainable investment opportunities. Fafadia emphasised the importance of profitability-focused models, noting a clear trend towards reduced timelines for startups transitioning into profitable corporates.

Garg highlighted ongoing valuation concerns among global investors, acknowledging India's historically expensive market. However, she noted experienced LPs recognised the consistent potential for growth and exit opportunities. Garg outlined how growth investing in India had evolved dramatically, with tech-enabled businesses increasingly bridging the gap between venture capital and private equity funding. This, she stated, fostered a more seamless capital flow from early stages to IPO exits.

Choudhury echoed this perspective, positioning tech growth investing as an emerging asset class distinct from early-stage VC and traditional private equity. He advocated a disciplined, responsible approach to scaling businesses, stressing the importance of unit economics, sustainable growth, and robust governance frameworks. Choudhury's investment philosophy centred on minimising binary outcomes and focusing on scalable, economically viable businesses.

Dsouza brought attention to growth opportunities in non-tech sectors, emphasising traditional businesses or "real dhanda" as valuable investment avenues. She highlighted three critical differentiators—time spent with founders, a proven track record of successful exits, and a robust, comprehensive investment team. Dsouza described Lighthouse's cautious capital deployment strategy, indicating patience and valuation discipline as central to their approach.

On market depth and LP preferences, Garg noted increasing comfort among larger institutional LPs to consolidate investments with established funds, while recognising significant domestic capital inflow supporting new fund managers, particularly at early stages. However, she pinpointed the opportunity gap in the mid-market segment, advocating more attention from growth investors in bridging early-stage ventures to buyout-ready enterprises.

Discussing exit strategies, Abrol noted a positive shift towards public market exits and reduced investor anxiety over liquidity. He argued that improved governance and disciplined value creation had matured the ecosystem, making forced exits less common. Dsouza supported this viewpoint, highlighting broader exit avenues, including increased interest from buyout and platform-oriented funds. She noted founders' growing openness to public markets, buoyed by easier IPO processes and robust valuations.

Concluding with lessons and cautious optimism, panelists shared strategic recommendations. Dsouza advised disciplined capital deployment, cautioning against overpaying due to competitive pressures. Abrol stressed avoiding rushed investment cycles, advocating patience for businesses to naturally mature. Fafadia encouraged founders and investors to build companies ready for sustainable public market exits rather than rushing prematurely into IPOs.

The consensus was clear—India's growth investing landscape has matured significantly, presenting abundant opportunities tempered by disciplined execution and strategic patience.

Expert Insights & Reflections

"Profitability-focused models and disciplined capital deployment have become central to successful growth investing in India."
Ashish Fafadia

"The narrative has shifted from forced exits to value-driven growth partnerships, reflecting maturity in India's investing ecosystem."
Sumeet Abrol

"India is witnessing a transformative era in private equity, with growth capital playing a crucial role in shaping the economy's future trajectory."
Madhur Singhal

"Successful growth investing in non-tech sectors demands patience, operational expertise, and a proven track record of value creation."
Rochelle Dsouza

"India's market remains expensive, but LPs with longstanding experience understand the inherent potential and evolving exit landscape."
Nupur Garg

"Sustainable growth investing is about responsible scaling, robust unit economics, and disciplined governance, avoiding binary outcomes."
Vikas Choudhury

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Navigating the Evolving Indian Startup and Scaleup Growth Landscape

Anisha Singh, Founder and Managing Partner, She Capital; Anurag Joshi, News Editor, ET NOW; Kanwaljit Singh, Founder and Managing Partner, Fireside Ventures; Nidhi Killawala, Partner, Khaitan & Co.; Sumit Sinha, Co-Founder and Managing Partner, Filter Capital

(From Left to Right) Anisha Singh, Kanwaljit Singh, Nidhi Killawala, Sumit Sinha, Anurag Joshi

Joshi opened the discussion by highlighting the significant opportunities and challenges shaping India's evolving startup and scale-up ecosystem. He initially focused on the rationale behind early-stage funding, specifically exploring the expectations founders have from investors and the essential considerations investors bring to the table.

K. Singh emphasised that while securing capital is critical for early-stage companies, today's founders increasingly seek investors capable of providing strategic insights into market dynamics and sector-specific trends beyond financial support. He stressed that transparency, trust, and compatibility in the investor-founder relationship significantly impact long-term success, especially in the critical early phases of business growth.

Killawala added that strategic alignment, cultural compatibility, and industry-specific connections are key expectations from early-stage investors. She underscored the importance of fair valuation practices, highlighting that both overvaluation and undervaluation pose significant risks to a startup's future funding rounds. Killawala advised founders to carefully prioritise their negotiation terms during fundraising, focusing on critical points to ensure long-term flexibility and sustainable growth outcomes.

Transitioning to growth-stage funding, Killawala highlighted that startups must focus on robust governance frameworks, clear financial controls, and proactive management of legacy legal issues. These factors significantly enhance their attractiveness to institutional investors at this pivotal stage. Sinha elaborated further by pointing out that growth-stage companies face crucial decisions about their scaling strategies, recommending a clear choice between rapid scaling and measured, sustainable growth. He emphasised that each path requires different types of investors, funding expectations, and strategic alignment.

In the context of consumer and online commerce, K. Singh advocated for an intense focus on consumer-centric strategies, differentiated product offerings, and robust unit economics. He distinguished genuine brand-building efforts from superficial product expansions, advising startups to concentrate on creating lasting consumer value and repeat purchasing patterns.

A. Singh shared her observation of the maturing startup ecosystem, highlighting a notable shift from valuation-driven funding cycles toward a stable phase that prioritises profitability, sustainable business models, and long-term economic viability. This evolution signals a deeper understanding and maturity among both founders and investors, fostering a healthier investment environment.

Regarding the rapidly emerging Quick Commerce segment, K. Singh pointed out the distinct opportunities it presents, cautioning startups against applying traditional e-commerce strategies directly. He emphasised that success in Quick Commerce requires careful consideration of hero products, brand strength, and particularly robust unit economics. Echoing this viewpoint, Sinha advised measured, strategic participation in Quick Commerce, warning against impulsive entry into this competitive, fast-paced sector.

Discussing governance, Sinha underscored the critical importance of thorough investor due diligence in evaluating founder integrity, stating that it forms the cornerstone of effective governance. He suggested that while operational processes and controls are necessary, they cannot substitute the intrinsic value of founder trustworthiness. A. Singh further highlighted the role of effective board composition and transparency in safeguarding governance, suggesting that open communication within the board significantly contributes to a company's resilience and long-term success.

Addressing India's evolving regulatory landscape, A. Singh and Killawala stressed the need for differentiated regulatory frameworks tailored to the size and nature of investment funds. They advocated for distinct regulations for micro-funds versus large-scale funds, facilitating greater innovation and reducing the compliance burden on smaller funds, thereby fostering broader sectoral growth and sustainability.

Expert Insights & Reflections

"We're finally at a mature stage of the startup ecosystem, focusing on real profitability and sustainable models rather than chasing valuations."
Anisha Singh

"The evolving Indian startup landscape presents both significant opportunities and intricate challenges—effectively navigating this terrain requires strategic foresight and adaptability."
Anurag Joshi

"Investor-founder relationships are critical at early stages—it's far more than just the capital; it's about strategic depth and mutual trust."
Kanwaljit Singh

"Regulatory adaptability and compliance-first approaches are becoming critical for startups navigating India's dynamic business environment."
Nidhi Killawala

"Good governance in startups begins and ends with founder integrity—robust processes complement but cannot substitute it."
Sumit Sinha

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Shaping Indian Innovation

Venture Visionaries Leading the Next Wave

Dr Ashish Ranjan, Director – Kotak Private Equity, Kotak Alternate Assets Managers (KAAML); Rajeev Kalambi, General Partner, Cactus Partners; Ranjith Menon, Managing Director, Chiratae Ventures; Rishab Kumar, Partner, Cooley LLP; Shashvat Rai, Partner, Aavishkaar Capital; Vikram Gupta, Founder and Managing Partner, IvyCap Ventures

(From Left to Right) Dr Ashish Ranjan, Rajeev Kalambi, Ranjith Menon, Shashvat Rai, Vikram Gupta, Rishab Kumar

As India positions itself for the next wave of technological disruption, this session brought together venture leaders to explore how the innovation ecosystem is evolving and what it will take for India to lead globally in deep tech and frontier technologies.

Kumar opened the session with a provocative question referencing Sam Altman's bullishness on India, asking why India hadn't yet produced a company like DeepSeek. Menon responded by pointing to two key gaps: the supply chain of capital beyond Series A, and the absence of a domestic market for advanced technologies.

Kalambi expanded on the idea, citing the 'three Ms'—men (and women), materials, and money—as necessary for innovation. While India has a strong talent pool, he highlighted a gap between curriculum and applied skills. He also emphasised that India doesn't invest meaningfully in R&D, either at the corporate or fund level.

Rai observed that Indian entrepreneurs are solving immediate, high-impact problems rather than building for distant futures. He noted that while India excels in enterprise solutions, moonshots require a different mindset, timeline, and risk appetite. He cited examples from climate tech, such as a green hydrogen electrolyser startup working to create global impact.

Gupta brought an optimistic view, highlighting India's frugal innovation legacy. He pointed to India's success in missions like Chandrayaan and said the nation is now the third-largest startup hub in the world. He stressed the growing role of domestic capital, the maturity of second- and third-time entrepreneurs, and the enabling policy environment.

Dr Ranjan offered a comparative lens, pointing to China's structured industrial planning, such as its 2025 plan with 286 targets. He stressed the importance of long-term vision and risk capital, and cited the growing presence of biotech innovation in India, including a gene therapy firm from his portfolio delivering treatment at a 90% lower cost than global peers.

The panel also discussed the increasing role of domestic capital. Gupta referenced recent Fund of Funds allocations and the entry of pension funds, insurance companies, and family offices into VC. Kalambi noted that such investors bring both patience and operator expertise.

Menon underlined recent policy commitments, including ₹20,000 crore for deep tech and a programme to fund 10,000 PhDs. He explained that foundational investments like these will take time but could yield transformative long-term results.

When asked for examples of promising innovation from their portfolios, the panellists shared standout stories:

- Dr Ranjan highlighted a biotech startup in gene therapies, delivering solutions at radically lower cost.
- Kalambi mentioned Lohum, a battery and mineral recycler, and Entangled, an AI-driven analytics firm for vehicles.
- Menon discussed KB Colors, which creates sustainable pigments using bacteria—one of only four such firms globally.
- Rai spoke about Newtrace, a green hydrogen electrolyser company aiming to close the price gap with grey hydrogen.

Kalambi added that India's maturing exit landscape is a game changer. With IPOs becoming viable for tech startups, the creation of long-term national assets is becoming more feasible.

Gupta concluded by identifying four forces coming together: experienced entrepreneurs, diversified capital sources, forward-looking policies, and a focus on deep tech. This, he said, is "India's moment."

Expert Insights & Reflections

"China planned for 2025 with 286 checkboxes. We run quarter-on-quarter."
Dr Ashish Ranjan

"We need to ask: how can we as an ecosystem help founders break through?"
Rishab Kumar

"India doesn't invest meaningfully in R&D, either at the corporate or fund level."
Rajeev Kalambi

"We understand enterprise well—think Zoho—but moonshots need a different mindset."
Shashvat Rai

"We have the engineering talent, but product thinking and scale capital are still challenges."
Ranjith Menon

This is India's moment—founder maturity, domestic capital, and policy are aligned."
Vikram Gupta

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CAT III Funds

Navigating the Investment Landscape

Bhautik Ambani, CEO, AlphaGrep Investment Management; Bhavdeep Bhatt, CEO, Northern Arc Investments; Parul Jain, Head of Investment, Funds Practice, Nishith Desai Associates; Madanagopal Ramu, Head – Equities and Fund Manager, Sundaram Alternates; Udit Sureka, EVP and Head of Products, Nuvama Asset Services

(From Left to Right) Bhautik Ambani, Bhavdeep Bhatt, Madanagopal Ramu, Udit Sureka, Parul Jain

The panel examined the evolution of CAT III funds as a flexible platform for sophisticated investment strategies in India's alternative asset space. The conversation delved into the growing traction of long-only and long-short funds, the untapped potential of fixed income within this category, and the operational and compliance challenges shaping fund structures, investor participation, and cross-border flows.

Setting the context, Jain opened the discussion by highlighting the unique proposition of CAT III funds—designed to allow complex strategies such as long-short, leverage, and arbitrage—and pointed to a projected ₹2.5 lakh crore surge in investment over the next 2–3 years. Despite this promise, the investor base remains dominated by HNIs and family offices due to regulatory constraints limiting institutional capital participation.

Ambani outlined the key differentiator of CAT III: the ability to deliver superior risk-adjusted returns by taking positions on both sides of the market. He noted that CAT III enables strategy design with more precision and adaptability than PMS or mutual funds. Whether as conservative debt-alternatives or aggressive equity overlays, Ambani stressed that CAT III offers solutions that remain unmatched in other categories.

Ramu discussed his firm's experience focusing on long-only CAT III funds, drawing from structural and cyclical value zones. He said their approach mirrors a private equity lens applied to public markets, often holding concentrated positions in consumer, NBFCs, and manufacturing, with returns in the high teens over five years. He cautioned against over-regulation of CAT III, advocating instead for preservation of its flexible DNA.

Bhatt spotlighted the untapped potential of fixed income within CAT III. While equity strategies dominate, he argued that there's a growing appetite—especially among corporate treasuries—for short-term, liquid, debt-oriented CAT III funds. He highlighted his firm's six-year track record with a 9.5% post-expense return fund and urged for more innovation on the supply side to meet this demand.

Sureka explored the role of technology and compliance in CAT III operations. From investor onboarding and fund accounting to managing PN3 restrictions on foreign inflows, he underscored the need for better regulatory harmonisation between SEBI and RBI. He also noted the growing appeal of the Gift City platform, while cautioning about its current limitations for Indian resident investors and outbound structures.

The panel discussed the challenges of institutional investor participation. Ambani and Bhatt stressed that despite the liquidity and transparency advantages of CAT III, pension funds and insurance companies are still not permitted to invest. Jain shared figures from IVCA highlighting that insurance companies hold $121 billion and pension funds $38–40 billion—capital that could scale up the CAT III ecosystem significantly if unlocked.

Gift City emerged as a potential enabler for innovation. Bhatt shared that more than 240 AMCs have registered so far, and new leverage-based product structures are now feasible under the Gift City regime. Ambani added that Gift City could enable India-centric absolute return strategies with global investor participation—something difficult to achieve under domestic frameworks.

As the panel wrapped up, speakers offered a forward-looking view. Ambani projected that CAT III could eventually comprise 10–15% of large investor allocations, mirroring global hedge fund benchmarks. Bhatt noted a rising interest in balanced allocation and predicted that fixed income would make a strong comeback. Ramu expected long-only focused funds to outperform in the coming years, especially in a volatile equity environment. Sureka closed by asserting that with broader investor access, regulatory clarity, and digital transformation, CAT III funds have the deepest potential across all pooled investment vehicles in India.

Expert Insights & Reflections

"CAT III offers strategies no other product in India can match—from conservative overlays to aggressive alpha."
Bhautik Ambani

"Liquidity with high risk-adjusted returns is rare, but fixed income CAT III can deliver both."
Bhavdeep Bhatt

"The flexibility of CAT III must be preserved—we're not trying to mimic mutual funds."
Madanagopal Ramu

"CAT III is no longer niche. With ₹2.5 lakh crore projected, it's becoming mainstream."
Parul Jain

"This category has the biggest arsenal—across asset classes, strategies, and innovation."
Udit Sureka

Building Tomorrow

Trends and Opportunities in Real Estate Investments in India

Bhairav Dalal, Partner, Price Waterhouse & Co LLP; Jason Breemen, Managing Partner, The New Amsterdam Group; Kalpesh Mehta, Founder, Tribeca Developers; Sharad Mittal, Founder & CEO, Arnya RealEstates Fund; Sonu Jalan, Managing Partner, Real Estate, Kotak Alternate Assets Managers; Vipul Roongta, Managing Director & CEO, HDFC Capital Advisors

(From Left to Right) Bhairav Dalal, Kalpesh Mehta, Sharad Mittal, Sonu Jalan, Vipul Roongta, Jason Breemen

The panel explored the changing contours of real estate investments in India, with a strong focus on the residential cycle, emerging asset classes like hospitality and data centres, and the capital strategies required to scale supply and innovation. The discussion captured the evolving investor appetite, regulatory progress, and infrastructure shifts underpinning growth across segments.

The discussion began with Breemen noting the vital role real estate plays in India's private capital ecosystem, calling it a sector that's increasingly attracting institutional focus. The session spotlighted how residential real estate continues to dominate value creation in India's real estate landscape.

Roongta outlined that residential has become one of the most resilient and strongest performing segments, thanks to consistent demand, low levels of non-performing assets, and the formalisation of the sector. He asserted that institutional capital markets are now rewarding residential developers with increasing interest and valuations.

Mehta echoed the sentiment, stating that residential real estate is entering a golden cycle, following a tough decade of reforms and corrections. He attributed the transformation to regulatory frameworks such as RERA, which have brought transparency and structure. He further argued that equity capital remains underpenetrated in residential, offering high return potential compared to commercial assets.

Mittal added historical perspective, calling the last decade an "L-shaped" period for residential, with reforms restructuring the industry. He observed that the cycle which began in 2021 has solid legs, driven by demand across luxury, mid-income, and affordable housing segments. However, he noted that capital availability remains a constraint despite the sector's fundamentals.

Jalan pointed out that residential real estate constitutes nearly 80% of value creation in the Indian market, yet remains severely capital-starved. He highlighted the unique cultural inclination of Indians towards home ownership and the scale mismatch between supply and demand. He also drew attention to developer ingenuity in financing projects via land collaborations and joint developments, in the absence of structured capital.

Dalal commented on the current market maturity, observing that the sector has stabilised, with disciplined development replacing earlier volatility. He expressed confidence in the sector's long-term trajectory, citing population-driven demand and increasing formalisation.

The discussion shifted to alternative segments such as hospitality and managed living. Mehta explained that after a decade of under-supply, hospitality is seeing a revival due to high demand and limited inventory. He also highlighted the untapped rental housing market for single working professionals, asserting that changing yield structures now make it viable.

Dalal added that blending hospitality and residential, especially in city-centre projects, offers compelling investment avenues. He noted the growth of fractional ownership and the emergence of asset-light models supported by REIT-like structures.

Mittal supported the view that hospitality and managed living have strong potential, particularly with rising urban income levels and consumption. He advocated for innovations like SM REITs to monetise such assets and create liquidity.

The panel discussed emerging sectors like data centres, biotech parks, and warehousing. Jalan underscored India's nascent data centre capacity, calling for accelerated investment to meet rising AI and tech demands. He estimated a ~$50 billion capital need to meet capacity targets.

Dalal cautioned that while these sectors are promising, they remain in early stages and require robust policy support and long-term capital. He highlighted that these infrastructure-heavy assets would go through learning cycles before stabilising.

On affordability, Roongta shared that while average unit prices are rising, supply of homes under ₹1 crore is shrinking. He stressed that improved infrastructure and urban mobility are critical to unlocking affordable housing zones, especially on city outskirts.

In closing, the panelists were asked to name the most attractive Indian city for real estate investment. Mumbai emerged as the unanimous favourite due to its massive infrastructure push and evolving urban landscape. Bangalore followed for its luxury growth potential.

Expert Insights & Reflections

"Blending hospitality and residential in city-centre projects creates exciting new avenues."
Bhairav Dalal

"We're in the early stages of a new residential cycle with strong legs across segments."
Sharad Mittal

"Data centres will need $50 billion in investment—this is a real and massive opportunity."
Jason Breemen

"Residential dominates value creation but remains capital-starved; the scale gap is huge."
Sonu Jalan

"Equity in residential is an under-tapped opportunity offering higher returns than commercial."
Kalpesh Mehta

"Residential real estate remains resilient, underpinned by demand and improved transparency."
Vipul Roongta


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Private Credit

Expanding from Niche to Norm in India

Anant Khatri, Executive Director, Private Credit Investments, Avendus; Bharat Gupta, Strategy and Transactions Partner, EY India; Karthik Athreya, Head – Fund Strategy (Private Credit), Sundaram Alternates; Monu Jain, Partner, Credit, Aavishkaar Capital; Rahul Khanna, Managing Partner, Trifecta Capital; Rubin Chheda, Managing Director & Head – Special Sits Strategy, Neo Asset Management Pvt Ltd; Sreejit Pillai, Chief Business Officer, UTI Alternatives

(From Left to Right) Anant Khatri, Karthik Athreya, Monu Jain, Rahul Khanna, Rubin Chheda, Sreejit Pillai, Bharat Gupta

As India's credit ecosystem deepens, this session examined whether private credit is moving from niche to norm within the broader investment landscape. The panel explored sectoral demand trends, investor appetite, regulatory catalysts, ESG-linked opportunities, and structural shifts necessary for mainstreaming this sub-asset class.

The conversation opened with Khanna pointing out that India's private credit industry has scaled significantly over the past decade — now reaching an estimated $10 billion annually — despite global headwinds and persistent supply-side constraints. While private credit currently constitutes only ~1% of total credit AUM, he emphasised that the base has grown and the compounding potential is significant.

Chheda agreed that the industry is still niche, especially when compared to markets like the US, where private credit forms 11–12% of total bank and corporate debt. He noted that India's version of private credit is structurally different — driven by bank constraints on legal and structuring capabilities, rather than a pullback in lending appetite.

Pillai identified two primary roadblocks: high investor tax incidence and limited borrower appetite for expensive capital. He argued that reducing taxation would improve fund returns and lower the effective cost of capital, thereby widening access and growing the industry faster.

Khatri highlighted real estate's dominance in India's private credit landscape, citing its capital-intensive nature and high structuring requirements. He also noted repeat demand from promoters across sectors, many of whom now recognise the value of paying a higher coupon for flexible, non-dilutive capital.

Athreya elaborated that private credit is anchored by two core arbitrage opportunities: regulatory (in areas where banks can't lend) and commercial (requiring speed, flexibility, or customisation). He shared that real estate has thrived in this space due to tangible assets and predictable cash flows, though other strategies — including special situations and venture debt — are scaling steadily.

Jain underscored the potential of ESG-focused private credit, noting that sustainable businesses are no longer return-dilutive. He advocated for blended finance structures to mobilise concessional and commercial capital, emphasising their role in crowding in mainstream investors.

Khanna supported this view, stating that impact-driven credit deals — such as in EV infrastructure, agri-export, and healthcare — are delivering equity-like returns. He noted that development finance institutions (DFIs) are showing increased interest, provided risk-adjusted returns are credible and track records strong.

Athreya and Khanna also touched upon how tools like IFC's EDGE and internal ESG scorecards are now standard practice, enabling greater alignment with LP sustainability mandates.

On global benchmarks, Chheda and Khatri agreed that India's deal-making landscape requires more hands-on fund manager involvement, given the lack of standardisation and the limited role of intermediaries. They also noted that as domestic players build track record and rating agencies evolve, more instruments — especially in venture debt — can enter secondary markets.

Pillai stressed that investor education, tax clarity, and faster resolution processes (via IBC) would catalyse more capital inflow. Jain added that while offshore capital remains cautious due to currency depreciation and withholding tax, India's HNIs and family offices are increasingly stepping in — even exploring co-investments.

Gupta concluded the session by affirming India's structural tailwinds for private credit: a growing GDP, maturing capital markets, and large-scale capex needs. He reiterated that private credit is uniquely placed to meet India's need for bridge capital, buyouts, and flexible mid-market funding — particularly if supported by regulatory reform and more predictable exit frameworks.

Expert Insights & Reflections

"Private credit is a solution capital — it gives promoters non-dilutive funding for 2–3 years to unlock value."
Anant Khatri

"From zero to $120 billion, private credit in India has proven its strength. With growing capital allocations and a maturing market, there's no reason we can't double from here."
Bharat Gupta

"Capital exists. If just 15–20% of portfolios shift to private credit, the ecosystem could double in scale."
Karthik Athreya

"Sustainable private credit needs more awareness and capacity building to unlock profit with purpose."
Monu Jain

"We've built equity-like returns by financing impact sectors — half our portfolio is in education, agri, and health."
Rahul Khanna

"In India, private credit isn't replacing bank lending — it exists because banks can't lend in many situations."
Rubin Chheda

"HNIs and family offices are stepping up — co-investing, seeking sophistication, and asking sharper questions."
Sreejit Pillai

Balancing Liquidity and Market Dynamics

The Exit Equation

Mohanjit Jolly, Partner, Iron Pillar; Niren Shah, Managing Director and Head of India, Norwest; Srinath Srinivasan, Chief Executive Officer, Oman India Joint Investment Fund (OIJIF); Udai Dhawan, Founding Partner and Head of India, Affirma Capital; Visalakshi Chandramouli, Managing Partner, Tata Capital Healthcare Fund; Vivek Soni, Partner and Private Equity Leader, EY India

(From Left to Right) Mohanjit Jolly, Niren Shah, Srinath Srinivasan, Udai Dhawan, Visalakshi Chandramouli, Vivek Soni

Amid India's evolving private capital environment, this session explored the changing contours of exit strategies—from public listings to secondaries and strategic sales. The panellists drew upon recent cycles and case studies to highlight how funds are balancing liquidity with value preservation in today's market.

Shah opened the discussion by sharing Norwest's shift in strategy around 2017, when Indian public markets began to emerge as a primary exit route. He noted that the firm now focuses on building IPO-ready companies by embedding governance frameworks, appointing independent board members, and strengthening compliance early in the investment lifecycle. This forward-looking approach, he said, has helped ensure smoother, higher-quality exits.

Chandramouli provided insights from the healthcare and life sciences sector, pointing out that strategic exits are prevalent in pharmaceuticals, whereas secondary transactions are more common in healthcare services. Around 30% of Tata Capital Healthcare Fund's exits in recent years, she added, have occurred via IPOs. She underscored the importance of starting exit preparation well in advance—particularly in regulated sectors where timelines can be unpredictable.

Dhawan discussed a multi-year blended exit from TBO, a travel tech company, combining private and public market sales. His firm, Affirma Capital, adopts a diversified approach to exits, he said, to reduce dependence on any single route such as IPOs. Dhawan emphasised that strong operating performance remains central, as quality businesses attract interest from strategic, secondary, and public market investors alike.

Srinivasan echoed the need for flexibility and discipline in exits. Drawing from Oman India Joint Investment Fund's experience with five IPOs and multiple secondaries, he highlighted the importance of post-investment value addition—such as encouraging product diversification or customer expansion to enhance IPO readiness. Timely monetisation, he stressed, often hinges on recognising favourable windows rather than waiting for the "perfect" moment.

Jolly offered a tech-focused perspective, observing that while India-based companies have benefited from the IPO momentum, M&A and secondary exits remain dominant for U.S.-incorporated startups. At Iron Pillar, he noted, exits are often underwritten through non-IPO paths to match their seven-year fund life and concentrated portfolio. He also spoke about the rising relevance of continuation vehicles, which allow GPs to hold on to high-conviction assets while offering liquidity to LPs.

Soni wrapped up the discussion by reminding the audience that exit cycles will always remain fluid. He shared data on public market trends and reiterated that companies with solid fundamentals and governance find paths to liquidity regardless of macro conditions. Maintaining investor discipline and avoiding over-indexing to market euphoria, he said, is key to long-term success.

Expert Insights & Reflections

"Public markets may be shining now, but we underwrite exits via secondaries and M&A too."
Mohanjit Jolly

"Focus on building IPO-able companies with strong governance from day one."
Niren Shah

"Take money off the table when it's available. The IRR clock ticks faster than any panel timer."
Srinath Srinivasan

"We sold a third of our stake at 10x, then more at 13x and 17x—we de-risked smartly."
Udai Dhawan

Start the exit process two years ahead—build in time for failed processes."
Visalakshi Chandramouli

"Exits will come if you focus on quality, governance, and building visibility early on."
Vivek Soni

Regulatory Landscape for Alternate Capital in India

Pallabi Ghosal, Partner – Corporate Practice, Trilegal; Tejas Desai, Partner – Financial Services, Leader – Wealth and Asset Management, EY; Tejesh Chitlangi, Joint Managing Partner, IC Universal Legal; Tushar Sachade, Partner, Price Waterhouse & Co LLP; Vivek Mimani, Partner, Khaitan & Co.

(From Left to Right) Tushar Sachade, Tejas Desai, Tejesh Chitlangi, Vivek Mimani, Pallabi Ghosal

Amid evolving regulatory dynamics, this session examined policy-level shifts that continue to shape the alternate investment ecosystem in India. Drawing on legal, tax, and structuring insights, panellists decoded updates from the Union Budget, evolving tax frameworks, and SEBI's recent circulars—providing a well-rounded view of regulatory developments and their implications for the AIF community.

Opening the session, Ghosal set the tone with a candid reflection on the role of legal and tax advisors in the fund lifecycle—acknowledging their indispensable, if behind-the-scenes, presence. She highlighted IVCA's role in enabling consistent dialogue across industry stakeholders, even in the face of differing perspectives. With several regulatory updates having an immediate bearing on day-to-day operations, the conversation was structured around emerging challenges and forward-looking opportunities.

Desai began with a breakdown of the Union Budget, terming it more of a continuation than a departure in policy direction. He pointed to several constructive moves, such as the clarification that securities held by Category I and II AIFs will be deemed capital assets—bringing much-needed legal certainty and easing transaction execution. Additionally, the extension of key tax holidays—including those for sovereign wealth funds, IFSC fund relocations, and eligible startups—was viewed as an investor-friendly signal. However, some long-standing concerns were left unaddressed. The absence of clarity on the taxation of Category III AIFs, limitations in the implementation of Section 9A, and the lack of alignment in holding periods under the STT regime were noted as continuing hurdles that require resolution.

The conversation moved to GIFT IFSC, with Sachade outlining why the jurisdiction is seeing growing interest from both domestic and offshore fund managers. With over 130 fund managers and nearly 200 funds already operational, GIFT has come a long way from its early days. Key benefits include favourable tax treatment, regulatory certainty, and significantly lower setup and operational costs.

Sachade underlined how the IFSC's pass-through structure enables global investors—especially those from countries with less accommodative tax treaties—to claim credits directly, enhancing post-tax returns. Additionally, the 10-year tax holiday for managers and absence of GST were cited as major pull factors. In his view, the jurisdiction now offers a robust alternative to international financial centres like Singapore or Mauritius.

On the legal side, Chitlangi provided a detailed analysis of SEBI's circulars on pari-passu and pro-rata rights. While the intent is to promote fairness and protect smaller investors, their current framing raises practical implementation challenges. Many existing funds operate with drawdowns that do not follow a strict pro-rata model—and with the new circular applying prospectively but without grandfathering, managers may face operational bottlenecks. For NAV-based open-ended Category III funds, pro-rata enforcement is practically unworkable. Chitlangi advocated for further guidance to enable a balanced application of these rules across varied fund structures.

Mimani built on this by discussing the growing complexities in LP-GP negotiations. While SEBI has allowed for multiple classes with differential rights, the interpretation of how those rights may be opted into remains unclear. The circular's implications for carry sharing were also highlighted, particularly in scenarios involving team members, employee benefit trusts, or distributors—common industry practices that now require re-evaluation. He also flagged questions around the senior-junior structure, which though permitted, remains restricted and requires further clarity, especially for structures domiciled in GIFT.

Towards the close, the panel shifted focus to practical advice and forward-looking recommendations. Category III tax clarity emerged as a consensus wish-list item, followed by a need for greater alignment between IFSC product design and tax legislation. For new managers entering the ecosystem, panellists emphasised simplicity in structuring, appropriate team incentives, and institutional backing as key pillars for success.

In conclusion, the discussion reinforced that while regulatory evolution is inevitable, the strength of India's alternate investment ecosystem lies in its capacity for dialogue, adaptability, and continued partnership with policymakers. As the ecosystem matures, collaborative advocacy through platforms like IVCA will be instrumental in shaping an enabling regulatory environment.

Expert Insights & Reflections

"Policy and regulation will keep changing—so for first-time fund managers, the best advice is: keep it simple."
Pallabi Ghosal

"The clarity around Category I and II AIFs holding capital assets is a welcome move—but there's still a long road ahead for Cat III."
Tejas Desai

"While the regulatory intent is sound, the pro-rata circular lacks operational feasibility in many ongoing fund structures."
Tejesh Chitlangi

"GIFT offers regulatory certainty, tax clarity, and significantly lower setup costs—key for fund managers evaluating jurisdiction choices."
Tushar Sachade

"As LP-GP negotiations evolve, clarity on who can opt for differential rights under SEBI's framework is urgently needed."
Vivek Mimani

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Navigating the Secondary Surge

Unlocking Value in India's Evolving Investment Landscape

Cate Ambrose, CEO and Board Member, Global Private Capital Association (GPCA); David Huang, Principal, StepStone; Dominic Goh, Managing Director, HarbourVest Partners; Jason Sambanju, Partner, CEO & Founder, Foundation PE; Sean Murphy, Partner, Cooley LLP; Vishnu Amble, Director, Investment Committee Member & Head of Foundation, GreenBear Group LLC; William Yea, Principal, Investment, Coller Capital

(From Left to Right) Cate Ambrose, Dominic Goh, David Huang, Jason Sambanju, Vishnu Amble, William Yea, Sean Murphy

Amidst growing interest in secondary transactions across global private markets, this session explored how India's maturing investment ecosystem is beginning to embrace creative liquidity solutions. With a mix of global and regional investors, the panel shared perspectives on how secondaries have evolved from being stigma-laden to becoming a strategic tool in fund lifecycle management.

Yea provided a high-level primer on the secondaries space, highlighting the two major deal types—LP-led and GP-led transactions. While LP-led deals involve acquiring passive interests in existing funds, GP-led secondaries involve selectively providing liquidity around concentrated assets. Yea emphasised that secondaries aren't a replacement for traditional exits but a complementary mechanism within a robust private equity environment.

Goh traced the evolution of secondaries in India, noting the early phase of fund restructurings and "zombie" fund solutions. The last few years, however, have seen a shift toward large-scale GP-led transactions driven by high-quality managers and assets. Importantly, he noted, secondaries in India now represent an affirmative strategy rather than a last resort.

Sambanju, who recently launched a domestic secondary AIF, underlined how SEBI's regulatory mandate for liquidity or valuation at fund closure is unique globally. This has sparked interest in continuation-style solutions in India's mid-market. According to him, the India market offers the rare mix of regulatory tailwinds, maturing fund cycles, and a need for localised secondary capital.

Huang introduced a pragmatic approach via "strip sales"—buying partial positions in chosen assets rather than full portfolios. In India, this strategy helps reduce transaction costs and bypasses the complexity of formal GP-led continuation structures. For Huang, operational involvement and partnership with local GPs enhances the success of these bespoke solutions.

Amble highlighted the expanded range of liquidity avenues in Indian private markets today, calling this period "early innings." With participation from family offices, local institutions, and foreign sovereign funds, he expects secondaries to gain traction alongside other exit strategies. Amble noted that relative currency stability has also contributed to greater investor confidence.

Ambrose drew parallels with other emerging markets, emphasising that secondaries offer a "breakthrough tool" to overcome liquidity constraints. She cited examples from Latin America and Africa, including single-asset continuation vehicles and fund portfolio sales, as blueprints that Indian managers and investors could emulate.

Murphy, weaving the discussion together, reflected on how the secondaries space has evolved into a more collaborative, relationship-based environment.

Rather than adversarial negotiations, most transactions today focus on long-term alignment between capital providers and asset stewards. Murphy noted that trust, governance, and manager quality remain central to building successful secondary partnerships.

When discussing GP alignment, panelists agreed that transparency around the motivation for a secondary transaction is critical. Goh underscored the importance of "skin in the game," while Ambrose pointed out that personal capital commitments by GPs remain a strong signal of confidence, especially in emerging markets. Sambanju added that working with first- or second-time managers requires a nuanced approach—focusing not just on past performance, but on the potential to evolve into best-in-class platforms.

The panel concluded that India's secondary market is still in its formative years, but well-positioned for rapid growth. With regulatory clarity, a robust pipeline of maturing funds, and growing interest from sophisticated capital providers, secondaries could soon become a mainstream tool in India's private capital playbook.

Expert Insights & Reflections

"Secondaries are a breakthrough tool—right up there with FX risk—as a barrier-remover for institutional participation in private markets."
Cate Ambrose

"We've created informal continuation vehicles by partnering with local GPs and cherry-picking strong assets—cutting both cost and complexity."
David Huang

"What matters most is the 'why'—why now, why these assets, and how much the GP is rolling over into the transaction."
Dominic Goh

"SEBI's framework has created a regulatory nudge for secondaries—unlike anything else globally."
Jason Sambanju

"Today's secondaries aren't about distress—they're about alignment, long-term partnerships, and maximising value with great managers."
Sean Murphy

"Liquidity options have multiplied in India, and we're still in early innings—particularly in secondaries and INR-focused structures."
Vishnu Amble

"Secondaries aren't a substitute for exits—they thrive when aligned with strong managers, great assets, and a clear horizon."
William Yea

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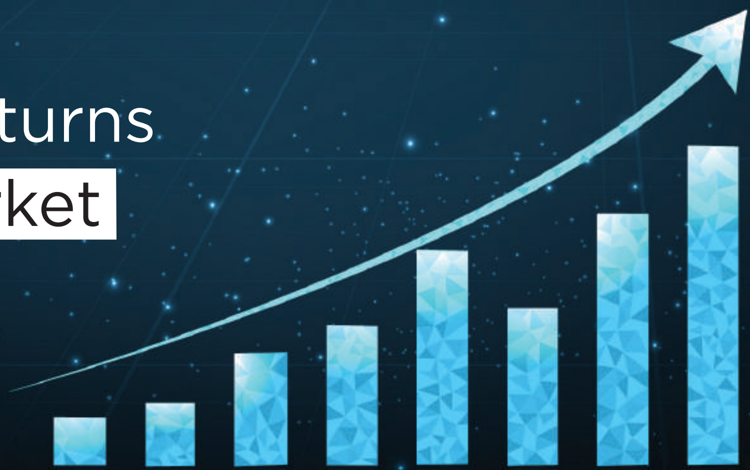

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What's Market in

Indian Private Equity Deals By Khaitan & Co

Shantanu Gupta, Partner, Khaitan & Co

Shantanu Gupta

The **What's Market in Indian Private Equity Deals** report by **Khaitan & Co** has emerged as a benchmarking resource for tracking private equity (PE) deal trends in India. Launched in 2023, this annual publication analyzes key deal structures, pricing adjustments, and legal provisions shaping the PE landscape.

Presenting the report, Gupta highlighted data-driven insights that enable investors and dealmakers to align with market standards. The latest edition reviewed 280+ transactions over the past 30 months, covering sectors such as energy, technology, automotive, healthcare, financial services, and real estate.

Among key findings, 18% of transactions incorporated lockbox mechanisms, and 12% included purchase price adjustments, with 60% structured post-closing. In warranty and indemnity insurance, 50% of buyers bore the cost, while 25% was shared between buyers and sellers. The report also noted that 60% of non-compete clauses in PE deals carried a two-year tail period.

Beyond seasoned investors, the report serves as a valuable resource for new entrants navigating India's evolving deal landscape. Gupta emphasized its role in helping stakeholders negotiate effectively and benchmark against global markets, offering practical insights into structuring transactions.

The What's Market in Indian Private Equity Deals report will be available in March 2025 and serves as an essential guide for investors, legal professionals, and entrepreneurs.

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Private Credit in India Report 2025
By EY

Bharat Gupta, Strategy and Transactions Partner, EY India

Bharat Gupta

The **Private Credit in India Report 2025** by **EY** provides a comprehensive overview of the evolving private credit market, analyzing deal trends, regulatory developments, and market dynamics. Presenting the report, Gupta emphasized the sector's steady growth, with $9.2 billion in private credit transactions across 163 deals in 2024—a 50% increase in deal volume and 7% growth in value. Notably, domestic private credit funds outperformed global players, capturing 63% of the market share in the second half of the year.

The report highlights that while overall credit growth remains slow, private credit has emerged as a critical financing solution, especially with a decline in debt mutual funds following recent tax changes. Despite its rapid expansion, private credit still accounts for less than 1% of total outstanding credit in India, indicating significant room for growth.

On the regulatory front, the report covers key updates, including SEBI's clarified stance on pari passu rights, the October 2024 circular on investor due diligence, and tax implications under Section 50A, which affects private credit funds holding bonds with back-ended redemption premiums. The rise of GIFT City as a tax-efficient jurisdiction is also analyzed, with comparisons to Singapore's tax framework.

With real estate comprising 35-40% of private credit AUM, the sector remains a dominant investment avenue. The report is available on the IVCA and EY websites for further insights.

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IVCA EY
Annual Trendbook 2025

Vivek Soni, Partner and Private Equity Leader, EY India

Vivek Soni

The **IVCA EY – Annual Trendbook 2025,** now in its seventh consecutive edition, highlights key trends shaping India's private equity and venture capital (PE-VC) landscape. Soni provided an overview of the report's findings, noting that despite two years of decline, PE-VC investments in India saw a 5% year-on-year increase, reaching $56 billion in 2024. Over the past five years, investment levels have consistently remained around $50 billion, reflecting the depth and resilience of the Indian market.

The exit landscape also witnessed strong momentum, with $26 billion in exits, largely driven by IPOs and open market transactions. Deal volume surged, crossing 1,300 transactions in 2024, up from 880 in 2023, fueled by startup funding and private credit investments. Notably, buyouts emerged as the dominant investment strategy, surpassing growth-stage deals.

Sectorally, infrastructure, financial services, and real estate led the investment tally. Fundraising, however, remained subdued, primarily due to fewer large fundraises by Indian GPs. However, late-stage VC investing saw signs of recovery, with five new unicorns in 2024, compared to two in 2023.

Looking ahead to 2025, Soni highlighted a more balanced investment environment, with valuations normalizing and capital markets continuing to influence exit activity.

The IVCA EY – Annual Trendbook 2025 is now available on both the EY and IVCA websites, offering in-depth analysis and insights for industry stakeholders.


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IVCA
Praxis India Growth Equity Report 2025

Madhur Singhal, Managing Partner, Private Capital, Praxis Global Alliance

Madhur Singhal

The **IVCA - Praxis India Growth Equity Report 2025** provides a comprehensive analysis of India's growth equity landscape, highlighting the scale, trends, and opportunities in the sector. Presenting the report, Singhal emphasized the depth of India's investable businesses, noting that while 9,000 companies have received growth equity funding since 2000, the total investable universe stands at 90,000 businesses.

Despite a perceived slowdown, India recorded its second-highest year for private equity investments in 2024, with $60 billion deployed across 1,600 deals. Growth equity accounted for $10 billion across 388 deals, demonstrating its strong positioning in LP allocations, with 30% of all India-specific funds dedicated to the segment.

The report underscores key market shifts, including a decline in deal sizes to pre-COVID levels, signaling more rational valuations and increased investor collaboration. Additionally, late-stage growth investors—including SoftBank, TPG, Carlyle, and Ontario Teachers'—are now executing smaller-sized transactions, broadening the growth equity investor base.

On exits, $4 billion was realized across 60 exits, with 60% through IPOs and 38% via secondaries, reflecting an evolving exit landscape. The report also explores emerging trends such as continuation funds and GP-led secondaries, indicating a maturing growth equity ecosystem.

With 20,000 private businesses generating over $10 million in revenue, the report estimates a $600 billion opportunity in growth equity investments over the next five years. The report is available on the IVCA and Praxis websites for further insights.

Private Market Trends in India

Prabhav Kashyap, Partner, Bain & Company

Prabhav Kashyap

Kashyap provided a preview of the upcoming **Bain & IVCA Private Equity and Venture Capital Report,** highlighting key trends in India's private capital landscape. Global buyout activity rebounded by 40% in 2024, reaching $600 billion, while exit activity increased by 30%. However, fundraising lagged due to lower LP distributions over the past three years.

India mirrored these global trends, with private equity and venture capital deal value rising to $42 billion, marking a 7% year-on-year increase. Venture capital and growth equity drove this growth, increasing from $9.5 billion in 2023 to $14 billion in 2024. Sector-wise, tech services, healthcare, and BFSI saw strong deal activity, while consumer tech doubled, driven by mega deals exceeding $100 million. Affordable housing finance and green financing expanded significantly, with private credit and structured finance playing a growing role.

Exit activity in India surged to $32 billion, outpacing China for the first time. Public market sales, including IPOs, were the primary driver, increasing from 12% to 20% of exits. The number of PE/VC-backed IPOs rose to 33, spanning consumer retail, BFSI, and tech services.

Overall, 2024 marked a return to pre-COVID highs in deal activity, a strong comeback for venture capital and growth equity, and India emerging as the largest exit market in Asia.

The full report will be available soon.

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Private Market Outlook and Investor Views

Geetanjali Bhalotia, SVP, Head of Investor Data, Preqin

Geetanjali Bhalotia

Bhalotia shared insights on private capital markets in APAC and India, highlighting key trends in venture capital, private equity, and private debt.

APAC-focused private capital AUM stood at $3.5 trillion as of June 2024, a 6% decline from 2023, primarily driven by venture capital's 10% drop. However, India's private debt AUM remained stable at $135 billion, nearly doubling since 2019, fueled by mid-sized business financing needs and regulatory improvements like the Insolvency and Bankruptcy Code.

Fundraising in APAC hit a decade low in 2024, with VC capital raising 55% less than in 2023. India, however, remained resilient, with VC fundraising up 30%, despite a 13% overall decline. Foreign LPs are increasingly partnering with local GPs, recognizing India's strong market fundamentals.

On exits, APAC saw continued weakness, but India held up well, with Bharat Serums' $1.3 billion trade sale to Mankind Pharma and PAG's $1 billion secondary buyout of Manjushree Technopack standing out. VC exits declined only 18% in India, compared to 44% across APAC.

Investor sentiment remains positive, with 77% of investors planning to maintain or increase their VC capital commitments in 2025. Indian VC funds have outperformed regional peers, offering higher returns with risks on par with developed markets. India is now the top-ranked emerging market for venture capital investments.

The presentation is available on the IVCA Conclave 2025 website: [www.ivcaconclave.com.](www.ivcaconclave.com)

International Financial Services Centres Authority (IFSCA)

Dr. Dipesh Shah, Executive Director (Development), International Financial Services Centres Authority (IFSCA)

Dr. Dipesh Shah

Dr. Shah provided a comprehensive overview of the growth and impact of the **International Financial Services Centre (IFSC)** at GIFT City, highlighting its role in bringing back international financial services to India. He reflected on how India has historically contributed to the development of financial hubs like Mauritius, Singapore, and Dubai, and how the establishment of GIFT City is reversing that trend by creating a world-class financial ecosystem within India.

Over the past five years, GIFT City has seen remarkable growth. The number of registered firms has increased from 129 to over 750, with significant expansion in fund management, banking, fintech, insurance, and capital markets. Indian and foreign fund managers are now setting up large-scale investment structures at GIFT City, with over 139 fund management entities and 198 registered schemes. Additionally, major banks, including foreign and domestic institutions, have opened GIFT City branches, facilitating dollar-denominated borrowing and trade finance for Indian corporates.

On the capital markets front, GIFT City now hosts over $64 billion in debt listings, making it the preferred location for foreign currency bond issuances by Indian corporates. The GIFT Nifty index has further cemented its role as a key financial benchmark. Other sectors, including aircraft leasing, insurance, and fintech innovation, have also seen rapid development. Notably, several foreign universities have established international campuses in GIFT City, offering globally recognized degrees at significantly lower costs.

Dr. Shah also discussed the favorable tax and regulatory environment that is attracting fund managers to relocate from other financial hubs like Mauritius and Singapore, with 13 to 15 schemes already having shifted to GIFT City under tax-neutral provisions. The absence of GST and income tax benefits for the first 10 years makes it an attractive destination for fund management activities.

Concluding his presentation, Dr. Shah expressed optimism about GIFT City's future, stating that 50% of IVCA conference sponsors and knowledge partners are already present in GIFT City, with expectations that this number will rise to 75-80% by next year.

DPI Through the Looking Glass

Vish Ramaswami, Head of Asia-Pacific Private Investments, Cambridge Associates

Vish Ramaswami

Ramaswami presented an in-depth analysis of distribution profiles across private equity (PE) and venture capital (VC) markets globally, with a comparative focus on the US, Europe, and Asia. He highlighted key insights from Cambridge Associates' extensive database, emphasizing the disparity in distribution performance across geographies.

One of the primary takeaways was the extended duration required for capital distribution in PE and VC investments. On average, global vintages take 9 to 10 years to reach a 1.0x distributed capital multiple, with total realizations occurring over 15-17 years. Asia, including India, lags in distribution pace, with recent vintages still trailing global benchmarks. The 2015 Asian vintage, in aggregate, has only recently reached a 1.0x DPI, while comparable US and European funds have advanced significantly.

Ramaswami addressed potential factors influencing these trends, including market inefficiencies, exit constraints, and the underdevelopment of secondary markets in Asia. He pointed out that capital markets capabilities, exit strategies, and operational improvements are increasingly critical for fund managers. The need for value enhancement, disciplined exit strategies, and institutionalized capital market functions was underscored as essential levers for improving distribution outcomes in India's PE and VC ecosystem.

In response to audience questions, Ramaswami clarified that returns were dollarized, accounting for currency fluctuations, and acknowledged India's growing IPO market as a potential catalyst for improved exits. However, he cautioned that market volatility, mispricing risks, and mis-sold retail capital could pose challenges.

The full presentation slides are available on the IVCA website.

IVCA Alternate Capital Excellence Awards 2025

Celebrating Leadership and Innovation

The IVCA Alternate Asset Excellence Awards 2025 celebrated leaders across the alternate capital sector who excelled in strategic fund-raising, managed standout exits and demonstrated overall performance excellence. Honoring a diverse group of people from Private Equity, Venture Capital, Infrastructure, Real Estate Funds, and more, the ceremony showcased those at the forefront of the industry. Each award underscores the robust growth and resilience of the alternate capital ecosystem, highlighting the significant contributions of top performers who continue to shape the future of investment.

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VIVEK PANDIT
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SANJEEV BIKHCHANDANI
Founder, Info Edge India Ltd

IVCA Alternate Capital Excellence Awards 2025

ESTEEMED JURY MEMBERS

We extend our deepest appreciation to our esteemed jury, comprised of industry veterans and thought leaders, whose unparalleled expertise and diligent efforts shaped the rigorous selection process. Their commitment ensured that each winner truly represented the pinnacle of excellence in the alternate capital sector.

IVCA Alternate Capital Excellence Awards 2025 Winners

Private Equity
Best fundraising performance of the year
Kedaara Capital

International Venture Capital
Best fundraising performance of the year
General Catalyst

Domestic Venture Capital
Best fundraising performance of the year
IvyCap Ventures

International Private Equity
Best exit performance of the year
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Domestic Private Equity
Best exit performance of the year
ChrysCapital

International Venture Capital
Best exit performance of the year
Peak XV

Domestic Venture Capital
Best exit performance of the year
Elevation Capital

New Fund Entry
Outstanding achievement of the year
Just Climate

Private credit Fund
Best overall performance of the year
EAAA Alternatives

Venture debt Fund
Best overall performance of the year
Stride Ventures

Real Estate Fund
Best overall performance of the year
Blackstone

Infrastructure Fund
Best overall performance of the year
Brookfield

Consistent Social Impact Champion Award
Chiratae Ventures

Consistent Climate Impact Champion Award
Blacksoil

Women First Award for championing gender diversity in the private investment ecosystem
India Alternatives

Special Cumulative Achievement Award
Shri Jayant Sinha
Senior Advisor, IVCA Climate & Sustainability Council and Former Union Minister of State for Finance and Civil Aviation

Beacon of Excellence Award
Prashanth Prakash
Co-Chair, IVCA VC Council and Founding Partner, Accel India

Certificate of Regulatory Excellence
Siddarth Pai
Co-Chair, IVCA regulatory affairs committee & Partner, CFO and ESG Officer, 3one4 Capital

A Greener Tomorrow,
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Alternate Capital Ecosystem

As part of IVCA's broader commitment to sustainability, the IVCA Conclave 2025 featured a verified reforestation initiative in collaboration with **Grow Billion Trees,** made possible through the collective presence and participation of the alternate capital ecosystem.

By supporting tree plantation efforts at a dedicated site in **Maharashtra,** the initiative resulted in an estimated **112 tons of carbon offset** over the lifetime of the trees. Each sapling is geo-tagged, monitored, and verified, ensuring transparency and measurable impact aligned with nature-based climate solutions.

More than a symbolic gesture, this effort reflects a growing consciousness within the investing ecosystem, where conversations on capital and growth are increasingly intertwined with responsibility and resilience. The IVCA Conclave 2025 aimed to go beyond being a platform for dialogue by enabling meaningful, on-ground action.

We extend our sincere thanks to all delegates, speakers, and partners for their role in facilitating this contribution. It is a testament to what the alternate capital fraternity can achieve together—not just in shaping the future of investments, but also in leaving behind a greener legacy.

To learn more about Grow Billion Trees, visit: **www.growbilliontrees.com**

About IVCA

Established in 1993, the **Indian Venture and Alternate Capital Association (IVCA)** is a non-profit organization that serves as a prominent apex industry body dedicated to promoting the alternate capital industry and nurturing a thriving investment environment in India. IVCA is resolutely committed to bolstering the ecosystem by advocating regulatory interventions and facilitating constructive dialogues with the Government of India, policymakers, and regulators. This collaborative approach fosters increased entrepreneurial activity, innovation, job creation, & contributes to positioning India as a preeminent fund management hub.

With 450+ members and a combined AUM of over $350 billion, IVCAs esteemed membership comprises the most active domestic and global entities, including VCs, PEs, Infrastructure Funds, Real Estate Funds, Credit Funds, Limited Partners, Investment Companies, Family Offices, Corporate VCs, CAT III Funds, Hedge Funds, and Knowledge Partners.

Within the SEBI registered AIF landscape, 45% of all registered AIFs are IVCA members. Within the total IVCA Members, 70% of them manage AIFs. IVCA stands as the sole industry association for alternate capital funds engaged in investments within India, and it is collectively owned by industry members. IVCA holds legal registration as a Section 8 entity, which signifies a non-profit organization. Vistra ITCL (India) Limited is the custodian of IVCA's trust held shares.

See you at

IVCA Conclave 2026

in **March!**

IVCA

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